UNITED NATIONS

General Assembly

FORTY-SIXTH SESSION

Official Records

FIFTH COMMITTEE
51st meeting
held on
Friday, 13 December 1991
at 10 a.m.
New York

SUMMARY RECORD OF THE 51st MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Jamahiriya)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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91-57866 5520S (E)

Distr. GENERAL
A/C.5/46/SR.51
24 December 1991

ORIGINAL: ENGLISH

The meeting was called to order at 10.40 a.m.

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Revised estimates under section 33F (Administration, Vienna) (A/46/7/Add.14; A/C.5/46/36)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had been unable to review the Secretary-General's proposals in detail owing to late submission of the revised estimates. Accordingly, its recommendations were merely procedural. The Advisory Committee was recommending that the estimate of $35,124,500 which it had recommended for section 33F in its first report on the proposed programme budget for the biennium 1992-1993 should be maintained.

2. The CHAIRMAN said that he would take it that the Fifth Committee wished to take note of the report of the Secretary-General (A/C.5/46/36) and to endorse the comments of the Advisory Committee in its report (A/46/7/Add.14).

3. It was so decided.

4. The recommendation of the Advisory Committee for an appropriation in the amount of $35,124,500 under section 33F of the proposed programme budget for the biennium 1992-1993 was approved in first reading.

Programme budget implications of draft resolution A/46/L.30 concerning agenda item 31 (A/C.5/46/62)

5. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that draft resolution A/46/L.30 related to subprogramme 1, Good offices and peace-making, of the medium-term plan for 1992-1997.

6. The Advisory Committee noted the comment in the statement of programme budget implications (A/C.5/46/62, para. 3) that while resources were provided in the programme budget for activities in support of the Secretary-General's functions in the area of international peace and security, related activities were often not programmed since their very nature precluded such an approach, as was true in the case of activities to promote peace in Central America.

7. During the course of a biennium the Secretary-General entered into commitments pursuant to the General Assembly resolution on unforeseen and extraordinary expenses for a given biennium, and the commitments were then reported to the General Assembly in the context of the performance report for each biennium. In that connection the Secretary-General stated that an estimated commitment of $964,400 would be reflected in the second performance report on the programme budget for the biennium 1990-1991.

(Mr. Mselle)

8. The Secretary-General had estimated that implementation of draft resolution A/46/L.30 would give rise to additional requirements amounting to $761,500. Those requirements related only to part A of the resolution, since part B requested the provision, as appropriate and within available resources, of technical and financial support to the Central American Governments for the purpose of consolidating peace, freedom, democratization and development.

9. In order to implement part A, the Secretary-General would be required to undertake certain activities specified in the statement of programme budget implications. To that end the Secretary-General was requesting the establishment of one P-5, one P-4 and one General Service post on a non-recurrent temporary basis for one year, together with the provision of additional travel funds, office automation equipment, and consultancy services relating to the establishment of the new civilian police in El Salvador.

10. The Secretary-General maintained that the increased workload in the Secretariat, which motivated the request for the posts, related to other regions in addition to Central America.

11. The provision of $278,400 for consultants related to the services of three consultants for a period of 60 working days per year, with associated travel costs. The provision of $219,900 for travel of staff related to the Personal Representative, the director concerned and an observer, as well as to other staff members.

12. The Advisory Committee had concluded, however, that the resources requested were not justified. Of the temporary posts requested, only the P-5 post and the General Service post should be approved, as temporary posts for 1992 only. The Advisory Committee did not object to the provision of $5,000 for office automation equipment. Given that it was difficult to predict exact requirements, the Secretary-General should continue to deal with travel of staff and consultants under the resolution on unforeseen and extraordinary expenses, with the actual requirements and expenses being indicated in the performance report.

13. The Advisory Committee was therefore recommending that, should draft resolution A/46/L.30 be adopted, an additional appropriation of $163,300 would be required under section 2 of the proposed programme budget for 1992-1993. In addition, an amount of $35,000 would be required under section 36 (Staff assessment), to be offset by the same amount under income section 1 (Income from staff assessment). In that connection the Advisory Committee concurred in the Secretary-General's view that the additional requirements related to the maintenance of peace and security and should thus be treated outside the procedures governing the use and operation of the contingency fund.

14. The CHAIRMAN said that he would take it that the Fifth Committee, on the basis of the statement of programme budget implications submitted by the Secretary-General and the recommendation of the Advisory Committee, wished to

(The Chairman)

inform the General Assembly that, should it adopt draft resolution A/46/L.30, it was estimated that an additional appropriation of $163,300 would be required for 1992 under section 2 of the proposed programme budget for the biennium 1992-1993. In addition, an amount of $35,000 would be required under section 36, to be offset by the same amount under income section 1.

15. It was so decided.

Programme budget implications of draft resolutions A/C.3/46/L.26, A/C.3/46/L.41, A/C.3/46/L.42 and A/C.3/46/L.56 and draft decision A/C.3/46/L.47 concerning agenda item 98 (A/C.5/46/58)

16. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that under draft resolution A/C.3/46/L.26, the General Assembly would decide that the World Conference on Human Rights should be convened at Berlin for a period of two weeks in 1993; that the Preparatory Committee should meet for three further sessions at Geneva, twice in 1992 and once in 1993; and that the Secretary-General should give the Conference and the preparatory process thereto the widest possible publicity and ensure full coordination of public information activities in the area of human rights within the United Nations system.

17. The Secretary-General had estimated total requirements for the preparatory activities and the Conference at $6,040,400. Of that amount, $4,049,400 related to conference-servicing costs under sections 23, 24, 26 and 32 of the proposed programme budget, $525,000 related to public information costs under section 31, and $1,466,000 related to other costs under section 28.

18. With regard to the amount of $4,049,400 for conference services, the Advisory Committee recalled that provisions totalling $452,400 had been made for regional meetings under sections 23 (ECA), 24 (ESCAP) and 26 (ECLAC). The estimate of $3,597,000 for conference-servicing costs under section 32 would not give rise to any requirement for additional resources under that section.

19. With regard to non-conference-servicing costs, under section 28 (Human rights) of the proposed programme budget for 1992-1993 the Advisory Committee had recommended provisional approval for the inclusion of a non-recurrent amount of $1.5 million under the object of expenditure "Conference preparations". The estimate of $1,466,000 for non-conference-servicing costs was therefore covered in that overall amount, thus achieving a saving of $34,000 under section 28.

20. The Advisory Committee, while it had not recommended any further reductions under section 28, was of the opinion that there were a number of areas where savings could be achieved. For example, given that the Conference was likely to take place for 10 days, the Advisory Committee questioned the need for a provision for general temporary assistance for a period of eight months, as proposed by the Secretary-General. Similarly, the request of

(Mr. Mselle)

$100,000 for external printing was high, given that the introduction of in-house printing facilities should make for savings in that area. Adjustments were also possible in resource requirements for other items of expenditures such as EDP equipment, while the need for a monetary human rights prize of $10,000 was questionable - a more symbolic and less expensive substitute should be found.

21. Under the provision for public information activities, an amount of $75,000 was being requested for fellowships for journalists in addition to a provision of $25,000 already included under section 31. Yet an amount of $259,800 at revised 1990-1991 rates had been included for such fellowships in the proposed programme budget for 1992-1993, given which the entire requirement for that item could be accommodated from within existing resources. The Advisory Committee also believed that a more cost-effective approach could be taken with regard to the production and distribution of information materials. Accordingly, the estimate under section 31 could be reduced to $400,000.

22. Draft resolution A/C.3/46/L.41 and draft decision A/C.3/46/L.47 related to financing from the regular budget of activities of two treaty bodies, under the International Convention on the Elimination of All Forms of Racial Discrimination and the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, respectively. Should the draft resolution and decision be adopted, a number of steps would need to be taken by States parties to amend the Conventions before the General Assembly could take a decision to transfer the costs relating to the functioning of the two bodies to the regular budget. Although no additional appropriations would be required for the time being, once the amendment process had been completed the related estimated costs, as indicated in paragraphs 36 to 39 of the statement of programme budget implications, would be submitted to the General Assembly. In that connection, the Advisory Committee had not yet had time to consider the information submitted by the Secretary-General on the methods of financing treaty bodies under the seven international human rights instruments in force that provided for monitoring of treaty implementation by expert bodies.

23. With respect to the requirements of $900,000 under draft resolution A/C.3/46/L.42 on the implementation of the Convention on the Rights of the Child, no additional appropriation would be required at the current stage. Once States parties had determined the duration of future meetings of the Committee on the Rights of the Child, the Secretary-General would submit appropriate proposals for additional costs to the General Assembly.

24. The activities proposed by draft resolution A/C.3/46/L.56, on the International Year for the World's Indigenous People, related to programmes 35 and 38 of the medium-term plan and to sections 38 and 31 of the 1992-1993 proposed programme budget. Should the General Assembly adopt draft resolution A/C.3/46/L.56, no additional appropriation would be required.

25. Mr. SPAANS (Netherlands) said it seemed that the Advisory Committee was not recommending any reductions in respect of draft resolution A/C.3/46/L.26 other than those indicated in paragraph 57 of the statement of programme budget implications and beyond those negotiated in the Third Committee. Yet the Chairman of ACABQ also seemed to be proposing further reductions in respect of the World Conference on Human Rights of $125,000. His delegation would welcome clarification, in which connection it might be helpful to have the Advisory Committee's recommendations provided in writing.

26. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee was recommending an additional appropriation of $400,000 in respect of the Conference under section 31, rather than the $525,000 requested by the Secretary-General. The statement of programme budget implications indicated a net reduction of $34,000 under section 28. Accordingly, the total amount for the budget as a whole was the net of the additional appropriation of $400,000 under section 31 and the reduction of $34,000 under section 28.

27. Mr. KARBUCZKY (Hungary), Mr. CONMY (Ireland) and Mr. GROSSMAN (United States of America) asked for the Advisory Committee's recommendations to be provided in writing, as suggested by the representative of the Netherlands.

28. The CHAIRMAN said that the report of the Advisory Committee would be circulated informally at the next meeting.

AGENDA ITEM 146: FINANCING OF THE UNITED NATIONS ADVANCE MISSION IN CAMBODIA (A/46/723 and A/46/763)

29. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, in paragraph 9 of its report on the financing of the United Nations Advance Mission in Cambodia (UNAMIC) (A/46/763), the Advisory Committee was recommending a total appropriation of $13,967,300 net for the six-month period of UNAMIC, beginning 1 November 1991.

30. Mr. SASTRAWAN (Indonesia) said that Indonesia had taken part in the negotiation of a political settlement that had resulted in the historic Paris agreements. However, no matter how great the political breakthrough, the commitment that had been achieved and its viability depended on the expeditious implementation of the settlement. His delegation therefore supported the recommendations of the Advisory Committee as well as the Secretary-General's recommendations on the level of financing required for UNAMIC.

31. Mr. MORDACQ (France) said that his delegation was pleased that the voluntary contributions in kind that had been received by UNAMIC had been taken into account in estimating the requirements of the Mission. In the past, the Secretary-General had refused to deduct the initial estimates of voluntary contributions from the total budget of a peace-keeping force. In the case of UNAMIC, more than $8 million in voluntary contributions in kind

(Mr. Mordacq, France)

had been received sufficiently early to be taken into account. That procedure should always be followed by the Secretariat in preparing budgets for peace-keeping forces.

32. The CHAIRMAN said he would take it that the Fifth Committee wished to recommend that the General Assembly should appropriate and assess a total of $13,967,300 net for the six-month period of UNAMIC, beginning 1 November 1991.

33. It was so decided.

AGENDA ITEM 136: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991)

(a) UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (A/46/746 and A/46/769)

34. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, in paragraph 10 of its report (A/46/769), the Advisory Committee was recommending that, at the current stage, requirements for the United Nations Iraq-Kuwait Observation Mission (UNIKOM) for the period 9 April to 8 October 1992 should not exceed $33.6 million gross. The Advisory Committee was also recommending that the General Assembly should approve commitment authority up to the level of $5.6 million per month for the six-month period beginning 9 April 1992. In approving the actual level of commitments, the Advisory Committee would take into consideration the latest information to be submitted by the Secretary-General concerning the operations and mandate of UNIKOM. The Advisory Committee was making a provision for half of the amount requested by the Secretary-General, since that would enable the Advisory Committee to review the additional requirements for 1992 in the light of the Secretary-General's request and also in the light of the Secretary-General's performance report.

35. Mr. MONAYAIR (Kuwait) said that his delegation agreed with all the observations contained in the Advisory Committee's report. Kuwait highly appreciated the role of UNIKOM and had placed many facilities at its disposal in order to ensure its success.

36. The CHAIRMAN said he would take it that the Fifth Committee wished to recommend that the General Assembly should approve an estimate of $33.6 million gross for the financing of UNIKOM for the period 9 October 1991 to 8 April 1992 and, subject to the decision to be taken by the Security Council on the renewal of the mandate of UNIKOM after 8 April 1992, approve commitment authority up to the level of $5.6 million per month for the six-month period beginning 9 April 1992, subject to the prior concurrence of the Advisory Committee.

37. It was so decided.

38. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that it was his understanding that, before the Rapporteur submitted the Fifth Committee's report to the General Assembly, the Fifth Committee would have to take a decision on the apportionment of the amount approved.

AGENDA ITEM 109: CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS (A/46/600 and Add.1 and A/46/765; A/C.5/46/CRP.5)

AGENDA ITEM 110: FINANCIAL EMERGENCY OF THE UNITED NATIONS (A/46/600 and Add.1 and A/46/765; A/C.5/46/CRP.5)

39. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General's report on the financial situation of the United Nations (A/46/600 and Add.1) contained a number of proposals that the Advisory Committee had considered and reported on in the past. Paragraphs 1 to 6 of the Advisory Committee's report (A/46/765) contained background information on the issue, and paragraphs 9 to 15 dealt with the Secretary-General's proposals on ways to address the financial situation of the Organization.

40. While the Advisory Committee believed that the time had come to consider seriously the proposal to charge interest on unpaid assessments, it believed that, at the current stage, the Secretary-General's proposal was not sufficiently explained. The Advisory Committee was therefore of the opinion that, before such charges could be considered, a detailed proposal that would address the various causes of the problem as well as the modalities of the system envisaged would have to be outlined.

41. The Advisory Committee concurred with the Secretary-General's proposal on the continued suspension of financial regulations 4.3, 4.4 and 5.2, but emphasized the need to maintain the suspension as a temporary measure and on a case-by-case basis.

42. The Advisory Committee's views regarding a further increase in the Working Capital Fund had already been expressed in its report on the subject to the forty-fifth session of the General Assembly (A/45/860).

43. While the Advisory Committee agreed with the proposal on the establishment of a peace-keeping reserve fund, it believed that a policy decision by the General Assembly was required on the principle of financing for the fund. Should the General Assembly agree to the proposed transfer of residual fund balances from the United Nations Transitional Assistance Group (UNTAG) and the United Nations Iran-Iraq Military Observer Group (UNIIMOG) to the new fund, that should be done in a manner that would take into account the interests of those Member States that had fulfilled their financial obligations to the Organization.

(Mr. Mselle)

44. The Advisory Committee was not in a position to make recommendations to the General Assembly on the establishment of an endowment fund, and believed that the establishment of the Peace Endowment Fund required a policy decision by the General Assembly before such questions as its level and operational procedures could be reported on by the Advisory Committee.

45. Finally, the Advisory Committee continued to affirm its belief that borrowing in the open market was not prudent.

46. Mr. ANNAN (Controller) said that the Secretary-General's report on the financial situation of the United Nations (A/46/600 and Add.1) set out the problem of ensuring adequate and timely funding for the Organization's activities and proposed measures to induce Member States to pay their contributions on time and also proposed some long-term and viable solutions.

47. The United Nations could not be expected to achieve excellence on a shoestring budget. An effective and efficient Organization began with fulfilment by Member States of all their financial obligations.

48. Mr. WU Gang (China) noted that the introduction of agenda items 109 and 110 by the Secretary-General in the plenary meeting of the General Assembly testified to their urgency. It was well known that the Organization's financial difficulties were caused by the failure of Member States to pay their assessed contributions, to both the regular budget and peace-keeping operations. His delegation had been shocked to learn from the report of the Secretary-General (A/46/600/Add.1) that, as at 31 October 1991, unpaid assessed contributions to the regular budget and peace-keeping operations stood at $988.1 million. As a result of the reforms carried out in pursuance of General Assembly resolution 41/213, the United Nations was operating effectively and adapting to changes as they arose. As its role was strengthened, and it faced new demands and challenges, the Organization must be guaranteed the financial resources it needed. All Member States should comply with Article 17 of the United Nations Charter and fulfil their financial obligations. In particular, his delegation urged major contributors with considerable arrears to pay in full immediately.

49. Despite its numerous economic difficulties, China had paid its assessed contribution in full every year. During the three-year reform period, it had paid as early as January in spite of the great difficulties it was experiencing. As indicated in document A/46/600/Add.1, China was one of the 15 countries that had paid its 1991 assessment in full to both the regular budget and peace-keeping operations.

50. While his delegation appreciated the proposals by the Secretary-General to increase the Working Capital Fund, and to establish a Humanitarian Revolving Fund and a United Nations Peace Endowment Fund, such measures would not remove what was widely understood to be the root cause of the Organization's financial difficulties - namely, failure by Member States to pay their assessed contributions on time. It was also well known that the

(Mr. Wu Gang, China)

Working Capital Fund of the regular budget was depleted. Thus, even the proposed increase in the Working Capital Fund would have no real significance unless assessments were paid, for, otherwise, the Fund would only become depleted again. Addressing the financial crisis merely by increasing the Working Capital Fund or establishing new funds would, in effect, shift the burden of arrears onto those Member States which had paid their assessments in full. That was obviously unfair and the confidence of Member States in the financial situation of the United Nations would be shattered as a result.

51. His delegation was not opposed to penalty schemes providing for interest to be charged on arrears. However, the time-limit of 60 days might not be realistic, taking into account the different financial systems in various countries. The proposal should be studied further in order to determine an appropriate time-limit. As the United Nations played an increasingly important role in maintaining world peace and security, especially through its peace-keeping operations, a peace endowment fund might be considered in order to finance the start-up costs of future peace-keeping operations. The level of such a fund and its financing should be studied further. Commercial loans should be considered only as a last resort in the event of a cash shortage and there should be some assurance that interest charges and other costs would not be borne by those Member States which had already paid their assessments in full.

52. In view of the Organization's grave financial difficulties, the suspension of relevant financial regulations to permit the retention of possible budgetary surpluses (paras. 27 to 36) could be considered. As humanitarian activities by the Organization had indeed increased, it might well be appropriate to establish a special Humanitarian Revolving Fund. However the resources for such activities should continue to be provided by voluntary contributions.

53. Mr. MERIFIELD (Canada), supported by Mr. CONMY (Ireland), expressed appreciation for the report and hoped that its urgency would be recognized. Paragraph 12 concerning a policy decision on the peace-keeping reserve fund could be dealt with immediately. Measures to protect the interests of those States which had already met their financial obligations could be considered in informal consultations.

AGENDA ITEM 18: APPOINTMENTS TO FILL VACANCIES IN SUBSIDIARY ORGANS AND OTHER APPOINTMENTS (continued)

(a) APPOINTMENT OF MEMBERS OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS (continued) (A/46/101; A/C.5/46/51 and Add.1)

54. The CHAIRMAN said that, since there were three candidates for one remaining vacancy for the Eastern European Group, the Committee would need to hold a secret ballot. He drew attention to the additional candidate from the Eastern European Group whose curriculum vitae was contained in document A/C.5/46/51/Add.1.

55. At the invitation of the Chairman, Mr. Tierlinck (Belgium), Miss Shitakha (Kenya) and Mr. Duhalt (Mexico) acted as tellers.

56. A vote was taken by secret ballot.

Number of ballot papers:	113
Invalid ballots:	1
Number of valid ballots:	112
Abstentions:	51
Number of members voting:	112
Required majority:	57
Number of votes obtained:	
Mr. Lazarevic	56
Mr. Tardos	44
Mr. Zlatanov	12

57. The CHAIRMAN said that, as no candidate had obtained the required majority, the Committee would need to hold another secret ballot.

58. At the invitation of the Chairman, Mr. Tierlinck (Belgium), Miss Shitakha (Kenya) and Mr. Duhalt (Mexico) acted as tellers.

59. A second vote was taken by secret ballot.

Number of ballot papers:	106
Invalid ballots:	0
Number of valid ballots:	106
Abstentions:	59
Number of members voting:	106
Required majority:	54
Number of votes obtained:	
Mr. Lazarevic	60
Mr. Tardos	45

60. Mr. Lazarevic (Yugoslavia) having obtained the required majority, the Committee recommended his appointment as a member of the Advisory Committee on Administrative and Budgetary Questions for a three-year term of office beginning on 1 January 1992.

(f) APPOINTMENT OF MEMBERS AND ALTERNATE MEMBERS OF THE UNITED NATIONS STAFF PENSION COMMITTEE (A/46/106; A/C.5/46/55 and Add.1)

61. The CHAIRMAN referred to the note by the Secretary-General contained in document A/46/106, drawing attention to the provisions of article 6 of the Regulations of the United Nations Joint Staff Pension Fund and indicating that the terms of office of Mr. Leonid E. Bidny (Union of Soviet Socialist Republics), Mr. Yogesh Kumar Gupta (India), Mr. Sol Kuttner (United States of America) and Mr. Michael G. Okeyo (Kenya), members of the Pension Committee and Mr. Jorge Duhalt (Mexico), Mr. Tadanori Inomata (Japan), Mr. Ulrich Kalbitzer (Germany) and Mr. M'hand Ladjouzi (Algeria), alternate members of the Pension Committee, would expire on 31 December 1991. It was therefore necessary for the General Assembly to elect four members and four alternate members to the Committee to serve for a period of three years, beginning on 1 January 1992.

62. He drew attention to document A/C.5/46/55 and Add.1, in which the Secretary-General had communicated to the Fifth Committee the names of the persons nominated by their respective Governments. It was his understanding that, based on consultations among the concerned delegations in the Group of African States, agreement had been reached on the candidacies of Mr. Okeyo (Kenya) and Mr. Belhaj (Tunisia). Accordingly, the candidacies of Mr. Irumba (Uganda) and Mr. Ladjouzi (Algeria) were withdrawn.

63. It was also his understanding that it was the wish of the candidates themselves that Ms. Shearouse, Mr. Duhalt, Mr. Inomata and Mr. Okeyo should be considered for the vacancies as members and Mr. Belhaj, Mr. Bidny, Mr. Kinchen and Mr. Rae should be considered for the vacancies as alternate members. Since the number of candidates corresponded to the number of vacancies, he would take it that the Committee wished to dispense with the secret ballot.

64. It was so decided.

65. The CHAIRMAN said he would take it that the Committee wished to recommend by acclamation the appointment of Ms. Susan Shearouse (United States of America), Mr. Jorge Duhalt (Mexico), Mr. Tadanori Inomata (Japan) and Mr. Michael G. Okeyo (Kenya) as members of the United Nations Staff Pension Committee for three-year terms of office, beginning on 1 January 1992, and Mr. Mohamed Férid Belhaj (Tunisia), Mr. Leonid E. Bidny (Union of Soviet Socialist Republics), Mr. Richard Kinchen (United Kingdom) and Mr. Ranjit Rae (India), as alternate members.

66. It was so decided.

The meeting rose at 1.10 p.m.

UNITED NATIONS

General Assembly

FORTY-SIXTH SESSION

Official Records

FIFTH COMMITTEE
52nd meeting
held on
Friday, 13 December 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 52nd MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Jamahiriya)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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Programme budget implications of draft resolutions A/C.3/46/L.26, A/C.3/46/L.41, A/C.3/46/L.42 and A/C.3/46/L.56 and draft decision A/C.3/46/L.47 concerning agenda item 98 (continued)

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91-57872 5516S (E)

Distr. GENERAL
A/C.5/46/SR.52
23 December 1991

ORIGINAL: ENGLISH

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The meeting was called to order at 3.30 p.m.

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Programme budget implications of draft resolutions A/C.3/46/L.26, A/C.3/46/L.41, A/C.3/46/L.42 and A/C.3/46/L.56 and of draft decision A/C.3/46/L.47 concerning agenda item 98 (continued) (A/C.5/46/58)

1. Mr. ZAHID (Morocco) said that there appeared to be a discrepancy regarding the budgetary allocations for fellowships to be awarded to journalists in connection with the World Conference on Human Rights. In his statement of programme budget implications (A/C.5/46/58), the Secretary-General had estimated that an amount of $100,000 would be required for that purpose, yet the Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), in his statement to the Fifth Committee at its 51st meeting, had estimated the amount at $259,800. As the Advisory Committee had recommended a reduction of exactly $100,000 under section 31 of the budget, he wondered whether there would be a problem with the funding of those fellowships.

2. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that the amount of $259,800 had already been included elsewhere in the budget to cover fellowships for journalists. Of the $100,000 required for fellowships specifically associated with the World Conference on Human Rights, $25,000 was already available, and the Advisory Committee recommended that that amount should be considered together with the $259,800, so that no additional funds would be required. It was in the light of those considerations that the Advisory Committee had recommended a reduction of $125,000 under section 31; because the reduction would be made in the context of various public information activities, it would not jeopardize the funding of fellowships referred to by the representative of Morocco.

3. Mr. COHEN (United States of America) said his delegation did not believe that funding for the World Conference on Human Rights had been accomplished from within existing resources and that, while it fully supported the aims of the World Conference, it did not intend to participate in the budget decision on the matter.

4. The CHAIRMAN said that, if he heard no objection, he would take it that the Fifth Committee, on the basis of the statement of programme budget implications submitted by the Secretary-General and the recommendation of the Advisory Committee, wished to inform the General Assembly that, should it adopt draft resolution A/C.3/46/L.26, an additional appropriation of $400,000 would be required under section 31, and a decrease of $34,000 under the appropriation for section 28; and that, should it adopt draft resolutions A/C.3/46/L.41, A/C.3/46/L.42 and A/C.3/46/L.56 and draft decision A/C.3/46/L.47, no additional appropriations would be required.

5. It was so decided.

The meeting rose at 3.40 p.m.

UNITED NATIONS

General Assembly

FORTY-SIXTH SESSION

Official Records

FIFTH COMMITTEE
53rd meeting
held on
16 December 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 53rd MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Jamahiriya)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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91-57881 5524S (E)

Distr. GENERAL
A/C.5/46/SR.53
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ORIGINAL: ENGLISH

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ORGANIZATION OF WORK

The meeting was called to order at 3.30 p.m.

AGENDA ITEM 109: CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS (continued) (A/46/600 and Add.1, and A/46/765; A/C.5/46/CRP.5)

AGENDA ITEM 110: FINANCIAL EMERGENCY OF THE UNITED NATIONS (continued) (A/46/600 and Add.1 and A/46/765; A/C.5/46/CRP.5)

1. Mr. INOMATA (Japan) said that, although his delegation did not believe that the deterioration in the pattern of payments by Member States was an indication of declining confidence in the United Nations role, the Organization should nevertheless make strenuous efforts to promote greater participation in its decision-making process in order to convince Member States of the value of its activities. Securing a greater degree of consensus on international issues did not necessarily mean that the costs involved would be met. In addition, the slowdown in world economic growth was also a factor in the late payment or non-payment of contributions.

2. There should be no relaxation in efforts to encourage Member States to pay their assessed contributions in full or to reduce the level of their outstanding contributions and, to that end, the Secretary-General should keep Member States informed of the financial situation of the Organization and continue to provide his best projections. He regretted that the two reports requested in General Assembly resolution 45/236 had not been submitted and said that he would have welcomed a report by the Secretary-General on his approach to the President of the General Assembly and the Chairmen of the regional groups, as a means of encouraging early and full payment of assessed contributions.

3. There were a number of reasons for the current financial crisis, the main one being the considerable increase in financial requirements relating to peace and security, including the implementation of Security Council resolution 687 (1991) on the situation in the Gulf, together with the additional burden of new peace-keeping operations in Cambodia, Western Sahara, Angola and El Salvador. He expressed concern that the General Assembly had not reached a decision on the financing of "other activities" and that little had been done to ensure that start-up funds would be available for the forthcoming United Nations Transitional Authority in Cambodia (UNTAC) operation.

4. Cash management was also a problem and, despite repeated borrowing from peace-keeping accounts, no austerity measures had been introduced. The dire financial situation was also obscured by significant unencumbered balance and substantial unliquidated obligations, as well as by interest and income revenue. Furthermore, the resumption of a full-payment policy by one major contributor had been offset by the growing difficulties faced by another, in addition to the problems experienced by many developing countries. The Organization should therefore strengthen and diversify its approach to cash management.

(Mr. Inomata, Japan)

5. He agreed with the Advisory Committee on Administrative and Budgetary Questions that Member States must meet their statutory obligations, since their failure to do so was the reason for the current precarious situation. However, the set of proposals contained in the Secretary-General's report (A/46/600/Add.1) was geared towards a long-term solution and did not adequately address the immediate situation. All the proposals required decisions by Governments that involved institutional and long-term financial commitments on which there was no prospect of reaching a realistic consensus at the current juncture.

6. Neither an increase in the Working Capital Fund nor the creation of other funds could be seen as a viable solution unless Member States honoured the principle of meeting all their financial obligations in full. Implementing the proposed increase in resources before resolving the Organization's financial difficulties could worsen the situation, since there was a danger of further increasing the burden on those Member States which had met their financial obligations. Payment of assessed contributions was a universal obligation and the more economically advanced Member States should not be required to bear an undue burden and make voluntary contributions, irrespective of their role in the decision-making process of the Organization.

7. His own Government had always paid its assessed contributions in full and it was therefore not out of self-interest that it seriously questioned the merit of the proposal to charge interest on outstanding obligations. In the light of the provisions of Article 19 of the Charter of the United Nations, there was no legal justification for such a measure.

8. With regard to the proposal to establish a Peace-keeping Reserve Fund, he reiterated his delegation's long-standing position that reserve funds to finance start-up costs for peace-keeping and related activities should be increased. Indeed, since 1989 his Government had contributed $6 million to the Secretary-General's Trust Fund for peace-keeping activities. However, he considered that start-up costs should be considered under the agenda item on the administrative and financial aspects of the financing of peace-keeping operations. At the resumed session, the General Assembly should consider such issues as the legal basis for levying an assessment on Member States, size of the fund needed, the modalities of the operation, and the relation of such a fund to the Working Capital Fund. To that end, a detailed analysis of those issues by the Secretary-General would be most useful.

9. Mr. JADMANI (Pakistan) said that the current financial crisis was a matter of great concern to his delegation. Had all the Member States paid their assessed contributions on time and in full, as they were legally required to do under Article 17 of the Charter, the crisis could have been avoided. The Secretary-General had stressed the need for urgent action to enable the Organization to meet its financial obligations and the necessary political decisions now needed to be taken.

(Mr. Jadmani, Pakistan)

10. Despite its economic difficulties, his country had paid its assessed contribution to the regular budget in full. There were some outstanding dues for peace-keeping operations, but measures were in hand to meet those obligations.

11. The increasing demands placed on the United Nations for the maintenance of international peace and security meant that adequate financial resources were required to enable it to fulfil its tasks. An increase in the Working Capital Fund was necessary to cover unforeseen expenses, while the establishment of a Humanitarian Revolving Fund would help the Organization to cope with new and urgent humanitarian situations. Serious consideration should be given to the Secretary-General's proposal to establish a Peace-keeping Reserve Fund, which would facilitate the start-up phase of new peace-keeping operations.

12. The fundamental problem was the non-payment of assessed contributions and unless steps were taken to ensure payment of those contributions in full and on time, the establishment of new mechanisms was unlikely to resolve the current financial crisis.

13. Ms. ERIKSSON FOGH (Sweden), speaking on behalf of the Nordic countries, welcomed the Secretary-General's report and supported the main thrust of its proposals. She urged the Committee to participate constructively in the deliberations on the proposals, with a view to reaching consensus decisions. The Nordic delegations concurred with some of the recommendations contained in the Advisory Committee's report (A/46/765), but had reservations concerning others.

14. Member States which met their treaty obligations concerning payments should not be penalized. The Nordic Governments had not only paid their dues in full and on time, but also had outstanding claims on the Organization amounting to $236 million in connection with peace-keeping operations. She stressed the need to avoid internal borrowing between the regular budget and the various peace-keeping accounts.

15. The Nordic countries had long been proposing the establishment of a Peace-keeping Reserve Fund to facilitate the start-up of new operations and she supported the proposal by the representative of Canada that a decision should now be taken on the issue. She noted that the Advisory Committee agreed with the establishment of such a fund and, on the question of how it should be financed, called on the Secretariat to provide the latest figures concerning the residual funds in the accounts of the United Nations Iran-Iraq Military Observer Group (UNIIMOG) and the United Nations Transitional Assistance Group (UNTAG).

(Ms. Eriksson Fogh, Sweden)

16. She recognized the need for the suspension of the financial regulations so as to allow for temporary retention of budgetary surpluses, but felt that it should be continued on a year-by-year basis and implemented in the way proposed by the Secretary-General rather than on the case-by-case basis suggested by the Advisory Committee.

17. The Nordic countries also supported the increase in the Working Capital Fund and felt that the proposed level of 25 per cent of the annual assessment was reasonable, given that the present level had proved insufficient. They also favoured establishment of a Humanitarian Revolving Fund. The three funds in question would provide the Secretary-General with the flexibility required for a more rational and efficient use of resources. The Nordic delegations wished to reserve their position on the proposed Peace Endowment Fund, since its sheer size made it appear unrealistic under the current circumstances and its full implications could not yet be foreseen.

18. Given that earlier efforts to improve payment discipline had failed, the Nordic countries supported the proposal to charge interest on outstanding assessed contributions, but felt that it should be applied across the board regardless of the reasons given by Member States for late payment or non-payment of contributions.

19. She shared the doubts expressed by delegations and by the Advisory Committee concerning the proposal to borrow commercially, since interest would have to be paid on the money and difficulties might arise in devising a fair formula to meet the additional expenses involved.

20. In conclusion, the Nordic countries felt that it would be a considerable achievement if agreement could be reached at the current stage on the establishment of the proposed Peace-keeping Reserve Fund.

21. Mr. SIKKANDER (Sri Lanka) noted that unpaid assessed contributions stood at $988.1 million, a situation that was jeopardizing the ability of the United Nations to carry out its programmes, particularly the forthcoming operation in Cambodia.

22. The Secretary-General's proposal to borrow commercially would provide only temporary breathing space and the additional burden of interest payments would further exacerbate the situation. His own Government had paid its contributions in full and on time and he urged all Member States to do likewise. He welcomed the payments made in response to the Secretary-General's appeals, although they were still not adequate to alleviate the financial crisis. Unless substantial contributions were made, funds would have to be obtained from other lending sources in order to cover regular budget requirements and peace-keeping operations. In that connection, he fully supported the Secretary-General's proposal concerning the establishment of a Humanitarian Revolving Fund and fully endorsed the views expressed by the Advisory Committee in paragraphs 12 and 14 of its report

(Mr. Sikkander, Sri Lanka)

(A/46/765). He stressed the responsibility of all Member States to pay all contributions in full and on time in order to enable the Organization to respond to the increasing challenges it was facing.

23. Ms. SHENWICK (United States of America) said that her delegation noted with appreciation the fact that the Secretary-General had chosen to deliver his statement on the financial situation facing the United Nations directly to the plenary Assembly. That was one more manifestation of his commitment to the Organization and his ongoing efforts to increase its financial strength to match the enhanced political strength it had gained during his tenure.

24. His specific proposals for improving the financial situation of the United Nations merited sober and detailed study. Her delegation was prepared to work with the Secretary-General and others to find appropriate and adequate solutions. However, it did not appear that the Organization was on the verge of financial ruin. Indeed, precipitous action on the Secretary-General's proposals without examining their long-term consequences could aggravate the very problem they were intended to solve.

25. With respect to the first of the five specific proposals made by the Secretary-General, it was her delegation's view that charging interest on unpaid assessments would simply cause arrears to increase for those Member States behind in their payments rather than serve as an incentive for prompt payment. In addition, many Member States were not in a position to pay in full within 60 days after issuance of a letter of assessment, either for peace-keeping operations or the regular budget. Moreover, both the specialized agencies which charged interest continued to have problems with arrears, although the magnitude of their budgets paled in comparison with that of the United Nations.

26. On the second of the Secretary-General's proposals, her delegation considered that if the Secretariat kept expenditures at or below income there should be no need to suspend the financial regulations in order to permit the retention of surpluses. In addition, the suspension would be an unnecessary burden on Member States and especially unfair to those which did pay.

27. Her delegation felt that the Secretary-General's proposal to increase the Working Capital Fund to a level of $250 million was not needed. It supported the Joint Inspection Unit's view that working capital funds should be set at a level of 4 per cent of biennial budgets. According to annex III of the Secretary-General's report (A/46/600/Add.1), the United Nations currently had reserves totalling $573.7 million, to which a further $9.8 million should be added, reflecting the fact that the authorized level of the working fund was $100 million. The funds were currently being used by the Secretariat as a de facto working fund in excess of 50 per cent of the annual United Nations budget.

(Ms. Shenwick, United States)

28. Her delegation supported the need for a peace-keeping reserve fund and could join with others in working to establish it.

29. Finally, her delegation opposed commercial borrowing because it would do nothing to force financial discipline on the United Nations or on Member States. Allowing the United Nations to become indebted to commercial institutions should be avoided.

30. Her delegation favoured the establishment of a humanitarian revolving fund as proposed by the Secretary-General. Additionally, it felt that voluntary contributions should be solicited for the purpose.

31. Her delegation was confident that the United Nations could deal with the political problems submitted to it, and would like to see that confidence extended to its financial management of its resources. The solution to its financial difficulties lay in that context, and through the continuing process of reform.

32. Mr. ELDEEB (Egypt) said that his delegation realized that urgent and effective measures were needed to enable the United Nations to play the role the world expected of it. In spite of the financial difficulties it was experiencing, Egypt had paid its financial contribution for the current biennium in full.

33. Mr. ANNAN (Controller), replying to comments made in the Committee, said it was correct that the Secretary-General's report attempted to address the long-term financial situation of the United Nations. The decision not to include cash flow figures or to address cash flow problems had been a deliberate one; it had been the Secretary-General's intention to present proposals which, if seriously dealt with, could solve the Organization's medium- and long-term financial problems. Although there had been a cash flow problem for the current month, the Secretariat had considered that it could be dealt with without referring the matter to the General Assembly, and had in fact done so.

34. He had been surprised to hear the Secretary-General's proposal to request the payment of interest on unpaid assessments described as a coercive measure. It seemed to the Secretariat to be a normal business practice. The Secretary-General had said that his proposals were being put forward as a starting-point for discussion and had urged those delegations which rejected them to put forward proposals of their own. The United Nations was facing a financial crisis, and as long as $1 billion in outstanding contributions remained unpaid it was in effect giving Member States an interest-free loan of that amount. Member States and the Secretariat must work together to solve the financial problem, and the Secretariat for its part was prepared to provide delegations with all the supporting documentation required to do so.

35. He had also been surprised to hear the representatives of States which were in fact violating the Charter by not paying their assessments quote the

Charter in criticism of the Secretary-General's proposals. He hoped that all delegations would demonstrate a willingness to make sacrifices in order to ensure the success of the Organization.

36. The CHAIRMAN said that he wholeheartedly supported the Controller's appeal to Member States to do their best to solve the financial crisis of the United Nations. He asked the representative of Australia to coordinate the preparation of a draft resolution on the items.

AGENDA ITEM 108: PROGRAMME PLANNING (continued) (A/C.5/46/L.8)

37. Mr. ZAHID (Morocco) introduced draft resolution A/C.5/46/L.8 and commended it to the Committee for adoption without a vote.

38. Mrs. GOICOCHEA (Cuba) said that her delegation intended to explain Cuba's position on the draft resolution in the plenary Assembly.

39. Draft resolution A/C.5/46/L.8 was adopted without a vote.

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Recommendation of the Advisory Board on Disarmament Matters in its capacity as Board of Trustees of the United Nations Institute for Disarmament Research (A/46/334; A/C.5/46/11)

40. The CHAIRMAN said that the request for a subvention to the United Nations Institute for Disarmament Research (UNIDIR) resulting from the recommendations of its Board of Trustees was being dealt with in the informal consultations on the budget and decisions on it would form part of the omnibus resolution on questions relating to the proposed programme budget.

41. Mr. KINCHEN (United Kingdom) said that it was his understanding that the Committee had agreed, ad referendum, on the text of a decision that would not affect the level of subsidy requested for 1992, the only point at issue in the report of the Board of Trustees. The Committee could therefore take action on the item at the current meeting.

42. The CHAIRMAN said he took it that the Fifth Committee wished to adopt the proposal of the Secretary-General in document A/C.5/46/11 and the related recommendation of the Advisory Committee; recall General Assembly resolution 44/201 B and reiterate the request contained in section IV of that resolution; endorse the observations and recommendations contained in paragraphs 5.9 and 5.10 of the report of the Advisory Committee (A/46/7) stressing the need for eventual self-sufficiency of the Institute and urging that every effort should be made to encourage donors to make additional unrestricted contributions which could be used to defray the administrative costs of the Institute.

43. It was so decided.

Self-evaluation capacity of the Economic Commission for Africa (continued) (A/C.5/46/37)

44. The CHAIRMAN said that he would take it that the Committee wished to recommend that the Assembly should take note of the report of the Secretary-General on self-evaluation capacity of the Economic Commission for Africa (A/C.5/46/37) and of the observations and recommendations of the Advisory Committee; and decide to establish the P-5 post of Evaluation Officer for the Economic Commission for Africa for the biennium 1992-1993 and to review the functions of that post in the context of the preparation of the proposed programme budget for the biennium 1994-1995.

45. It was so decided.

Programme budget implications of draft resolution A/C.2/46/L.30/Rev.1 concerning agenda item 87 (A/C.5/46/60)

46. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the statement by the Secretary-General on the programme budget implications of draft resolution A/C.2/46/L.30/Rev.1 (A/C.5/46/60). The activities which the Secretary-General would undertake in response to the requests contained in paragraphs 2 (d) and (e) of the draft resolution were outlined in paragraph 4 of the statement and the related requirements for 1991-1992 were estimated at $424,500. Four temporary, non-recurrent posts - one D-1 post, one P-4 post and two General Service posts - would be required, as would provision for consultants, overtime, common staff costs, travel of staff, contractual translation and printing, general operating expenses, supplies and materials and office automation equipment.

47. The Secretary-General indicated that coordination of the related activities had not been included in the medium-term plan for the period 1992-1997, nor a related provision under section 1 of the proposed programme budget for the biennium 1992-1993. In requesting support from the regular budget in 1992, the Secretary-General also stated that, should the coordinating activities relating to the Joint Plan of international cooperation to mitigate the consequences of the Chernobyl disaster extend beyond 1992, he proposed to seek to identify alternative financing as indicated in paragraph 8. Proposals in that regard would be included in his report to the forty-seventh session of the General Assembly. The Advisory Committee noted that such an approach was in line with the draft resolution, which called upon the United Nations system for assistance; and recalled that United Nations Development Programme (UNDP) Governing Council decision 1991/23 requested UNDP assistance in that area.

48. The Advisory Committee had been informed that, during the current year, support had been given to the Secretary-General's efforts through the use of a P-5 post loaned from the United Nations Environment Programme and a P-4 post from the Department of Technical Cooperation for Development. However, those

arrangements had either already ended or were about to end. Hence the request for temporary posts.

49. In the circumstances, the Advisory Committee did not object in principle to the request for support from the regular budget in 1992. However, it trusted that the recourse to alternative financing either from the United Nations Chernobyl Trust Fund or through contributions from other parties would be vigorously sought.

50. As to the actual level of support being requested, the Advisory Committee noted that the staff would be working under the Director-General of the United Nations Office at Vienna, who had been designated as the United Nations Coordinator of International Cooperation for Chernobyl. It had sought information as to the reason for providing a post at the D-1 level, but no explanation had been provided. It therefore believed that posts at the P-5 and P-4 levels should be sufficient. It was also of the view that one General Service post should be provided. In that connection, it noted that the Director-General of the United Nations Office at Vienna had in her immediate office four Professional and eight General Service posts, and that one of the functions of the Office, according to the proposed programme budget, was to assist the Director-General in all her functions, including ad hoc responsibilities assigned to her by the Secretary-General.

51. The Advisory Committee did not object to the other provisions being requested in paragraph 7 of document A/C.5/46/60. The Advisory Committee therefore recommended that the General Assembly should be informed that, should it adopt draft resolution A/C.2/46/L.30/Rev.1, an additional, non-recurrent appropriation of $414,700 should be required under section 1 of the proposed programme budget for 1992-1993. In addition, $68,600 would be required under section 36 (Staff assessment), to be offset by an increase in the same amount under income section 1. The additional requirement of $414,700 would be dealt with in accordance with the guidelines for the operation and use of the contingency fund. Accordingly, any additional appropriations required would be considered in the context of the consolidated statement to be submitted to the General Assembly by the end of the week.

52. The Advisory Committee's recommendation was adopted.

Programme budget implications of draft resolution A/C.2/46/L.91 concerning agenda item 77 (a) (A/C.5/46/66)

53. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) observed that draft resolution A/C.2/46/L.91 called for the convening of a United Nations/International Maritime Organization Conference of Plenipotentiaries on a Draft Convention on Maritime Liens and Mortgages in Geneva during the first half of 1993 for three weeks. The Secretary-General in document A/C.5/46/66 estimated the conference-servicing costs at $1,439,000 (para. 4) and indicated that the amount would be covered

(Mr. Mselle)

under section 32 of the proposed programme budget for the biennium 1992-1993, so that no additional appropriation would be requested. He also indicated (para. 5) that the amount of $14,700 required for the travel of representatives of national liberation movements would be covered under section 15 of the proposed programme budget.

54. The Advisory Committee therefore recommended that the General Assembly should be informed that, should it adopt the draft resolution, no additional appropriations should be required under the proposed programme budget for the biennium 1992-1993.

55. The Advisory Committee's recommendation was adopted.

Programme budget implications of draft resolution A/C.3/46/L.61/Rev.1, as orally revised, concerning agenda item 98 (b) (A/C.5/46/67)

56. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) observed that the detailed provisions of draft resolution A/C.3/46/L.61/Rev.1, as orally revised, were summarized in paragraph 2 of the Secretary-General's statement of programme budget implications in document A/C.5/45/67. The activities arising out of those provisions were described in paragraphs 4 to 6. One such activity was the designation of a senior official in the Offices of the Secretary-General to act as a focal point for electoral matters (para. 4). The Secretary-General provided the estimated requirements at full cost (paras. 8-9): as indicated in paragraph 9, two Professional staff members (P-5 and P-3) and one General Service staff member would be required to provide support for the senior official. The requirement for those temporary posts amounted to $349,600, which together with other related requirements came to a total of $526,100. However, the Secretary-General indicated (para. 10) that it was not possible to specify the exact requirement that would have to be appropriated under the regular budget until such a senior offical had been designated and the relevant programme of work developed. It was therefore his intention to seek authority, if necessary, from the Advisory Committee to enter into the necessary commitments in 1992.

57. The Advisory Committee accordingly recommended that, should the General Assembly adopt the draft resolution in question, no additional appropriation should be required at the current stage.

58. The Advisory Committee's recommendation was adopted.

59. Mr. MICHALSKI (United States of America) said that his delegation appreciated the efforts of the Secretariat to keep the financial implications of draft resolution A/C.3/46/L.61/Rev.1 to a minimum. However, it was still not convinced that the additional requirements spelled out in paragraph 9 of document A/C.5/46/67 were actually necessary. It was to be hoped that in the course of implementing the draft resolution, the Secretariat would not engage in what might be considered empire building.

Programme budget implications of draft resolution A/C.2/46/L.71/Rev.1 concerning agenda item 77 (e) (A/C.5/46/69)

60. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General indicated in his statement (A/C.5/46/69) of the programme budget implications of draft resolution A/C.2/46/L.71/Rev.1 that international cooperation to mitigate the environmental consequences on Kuwait and other countries in the region resulting from the situation between Iraq and Kuwait would give rise to an estimated requirement of $185,900 (para. 7). The Secretary-General stated that it would be his intention (para. 9) to seek voluntary contributions to enable him to carry out the tasks enumerated in the draft resolution.

61. The Advisory Committee therefore recommended that the Fifth Committee should inform the General Assembly that should it adopt the draft resolution, no additional appropriation should be required under the regular budget for 1992-1993 and should note that, as indicated in paragraph 10 of the Secretary-General's statement, the extent to which the Secretary-General would be able to discharge his mandate would depend in large measure upon his success in obtaining voluntary contributions.

62. The Advisory Committee's recommendation was adopted.

Programme budget implications of draft decisions A/C.2/46/L.62 and A/C.2/46/L.64, concerning agenda item 12 (A/C.5/46/70)

63. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the programme budget implications in draft decisions A/C.2/46/L.62 and A/C.2/46/L.64 would give rise to an estimated additional expenditure of $398,900. The full estimate for 1992-1993 would amount to $489,500. However, as the Secretary-General had indicated in paragraph 9 of his report (A/C.5/46/70) the resources requested under subprogramme 19 of section 23 of the proposed programme budget for the biennium 1992-1993 would partly cover the costs involved. Accordingly, adoption of the two draft decisions would require an additional appropriation of $398,900 under section 23, and an amount of $16,100 under section 36, to be offset by the same amount under income section 1, subject to the guidelines for the use of the contingency fund.

64. The CHAIRMAN proposed that the Fifth Committee should inform the General Assembly that, should it adopt draft decisions A/C.2/46/L.62 and A/C.2/46/L.64, (1) the proposed programme of work under section 23 of the proposed programme budget for the biennium 1992-1993 would be increased by the additional activities listed in paragraphs 8 and 20 of document A/C.5/46/70; and (2) subject to guidelines for the operation and use of the contingency fund, an additional appropriation of $398,900 would be required under section 23, together with an appropriation in the amount of $16,100 under section 36 (Staff assessment), to be offset by the same amount under income section 1.

65. It was so decided.

Programme budget implications of draft decision A/C.2/46/L.65 concerning agenda item 12 (A/C.5/46/71)

66. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the draft decision would give rise to an additional expenditure of $73,500, to be dealt with in accordance with the procedures established for the use of the contingency fund.

67. The CHAIRMAN proposed that the Fifth Committee should inform the General Assembly that, should it adopt draft decision A/C.2/46/L.65, (1) the activities detailed in paragraph 6 of document A/C.5/46/71 would have to be added to the work programme under subprogramme 14 of section 24 the proposed programme budget for the biennium 1992-1993; and (2) an additional appropriation in the amount of $73,500 would be required under section 24 of the proposed programme budget for the biennium 1992-1993, subject to the guidelines on the use of the contingency fund, and that an amount of $15,400 would be required under section 36 (Staff assessment), to be offset by an increase in the same amount under income section 1.

68. It was so decided.

Programme budget implications of draft resolution A/C.2/46/L.75 concerning agenda item 78 (A/C.5/46/72)

69. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that no additional appropriations would be required under the draft resolution.

70. The CHAIRMAN proposed that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/46/L.75, no additional appropriation or programmatic changes would be required.

71. It was so decided.

Programme budget implications of draft decision A/C.2/46/L.58, as orally revised, concerning agenda item 77 (g) (A/C.5/46/73)

72. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, as the Secretary-General had indicated in paragraph 7 of his statement (A/C.5/46/73), the activities provided for in the draft resolution would give rise to additional expenditure of $47,000 under section 19 of the proposed programme budget for the biennium 1992-1993, subject to the guidelines for the use of the contingency fund.

73. The CHAIRMAN proposed that the Fifth Committee should inform the General Assembly that, should it adopt draft decision A/C.2/46/L.58, as orally revised, the programme of work under section 19 of the proposed programme budget for the biennium 1992-1993 would be increased by the additional activities listed in paragraph 4 of document A/C.5/46/73, and that an additional appropriation in the amount of $47,000 would be required under section 19 of the proposed programme budget for the biennium 1992-1993, subject to the guidelines for the use of the contingency fund.

74. It was so decided.

75. Mr. MICHALSKI (United States of America), speaking in explanation of position, said it was his delegation's view that the activities funded under the draft resolution would not contribute in any way to the peace process in the Middle East.

76. Mr. LEV (Israel) said that his delegation had reservations with respect to the draft resolution in question. Over 800 reports and studies of the subject were already in existence; it was therefore difficult to see what purpose the proposed new study would serve, while it would certainly not contribute to the peace process. In his delegation's view, the money would be better spent improving the living conditions of the Palestinian people in the occupied territories.

Programme budget implications of draft resolution A/C.2/46/L.121 concerning agenda item 82 (A/C.5/46/75)

77. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said the Advisory Committee recommended that the General Assembly take note of the Secretary-General's statements in paragraphs 4 and 5 of his report (A/C.5/46/75).

78. The Advisory Committee's recommendation was adopted.

ORGANIZATION OF WORK

79. Mr. SPAANS (Netherlands), speaking as the coordinator of the informal consultations on agenda item 115 said that, although the discussion of the three draft resolutions and one draft decision relating to agenda item 115 had been lively, and many interesting and useful suggestions had been put forward, it was clear that it would not be possible to reach agreement on any of them at the current session. In his view, therefore, the Committee might either decide to take up those items again at the Assembly's forty-seventh session or to keep them under consideration, which would mean that it could take them up again at the earliest opportunity.

80. Mrs. GOICOCHEA (Cuba) said that her delegation was not in favour of the first alternative. It was necessary to ensure that the Secretary-General was given specific policy instruction by the General Assembly before the close of its current session in September 1992. Her delegation therefore proposed that a decision should be taken on the matters relating to agenda item 115 before that time.

81. Mr. ELDEEB (Egypt) said that his delegation favoured deferring the discussion of personnel questions to the forty-seventh session of the General Assembly. Such deferment would enable the Committee to benefit in its deliberations on personnel questions from the views formulated by the various working groups on the restructuring of the United Nations, including those concerning the restructuring of the Secretariat, and from the recommendations which the resumed session in early 1992 would put forward on that matter. In addition, the reforms which the new Secretary-General was expected to undertake in the Secretariat could be taken into account when the matter was discussed at the forty-seventh session.

82. Mr. TANG Guanting (China) said that his country traditionally attached great importance to the consideration of personnel questions and believed that the item could still be concluded in the current session, if the Chairman would agree to a short extension. If, however, it was decided to defer the matter, China would only accept deferment to the resumed session in early 1992, and not to the forty-seventh session.

83. Mr. GREALY (Australia), speaking also on behalf of Canada and New Zealand, said that responsibility for the failure to conclude consideration of the item rested with Member States. The delegations on whose behalf he spoke supported the suggestion by Egypt, that the item should be closed and taken up again only at the forty-seventh session. If negotiations were to take place on the item at the resumed session and a resolution adopted in March, the Secretary-General would have only two or three months to implement the resolution and to report on its implementation, resulting in a wasteful use of the Organization's resources. Australia, Canada and New Zealand also opposed any attempt to adopt the resolution piecemeal as it was a package and should be adopted as a whole.

84. Mr. KARBUCZKY (Hungary), Mr. MICHALSKI (United States of America), Mr. STOCKL (Germany), Ms. VUORINEN (Finland), speaking on behalf of the Nordic countries, and Ms. VASAK (France) said that they supported the suggestion by Egypt and believed, also for the reasons advanced by Australia, that the item should be closed and only taken up again at the forty-seventh session.

85. Mrs. CLIFF (United Kingdom) said that her delegation was prepared to continue work on the item until the end of the current session, as suggested by China. The United Kingdom was opposed, however, to consideration of the item at the resumed session, for the reasons put forward by Egypt. The United Kingdom could not countenance the use of the Organization's scarce resources for the consideration of personnel questions at the resumed session, especially in the light of the plea by the Controller to delegations to make efforts to solve the financial crisis faced by the United Nations.

86. Mrs. GOICOCHEA (Cuba) asked whether there was any link between policy measures on the composition of the Secretariat and those personnel questions relating to the structure of the Secretariat. Her delegation believed that those measures might have repercussions on the restructuring of the Secretariat, which should be taken into consideration in the Committee's consideration of personnel questions.

87. The CHAIRMAN said that the Bureau would consider the question asked by the representative of Cuba and would endeavour to give a reply in due course. He would also discuss the question of deferment with the Bureau, and would return to the Committee for a decision on whether to defer the matter to the resumed session or to close it and take it up again at the forty-seventh session of the General Assembly.

88. After hearing the progress reports by the coordinators of the informal consultations on the outstanding agenda items before the Committee, he said that efforts would be made to accommodate their requests for further time but urged members to work with the greatest possible expedition, reminding them that the Committee could not adjourn without a scale of assessments, which it required on the following day.

The meeting rose at 6.05 p.m.

UNITED NATIONS

General Assembly

FORTY-SIXTH SESSION

Official Records

FIFTH COMMITTEE
54th meeting
held on
Tuesday, 17 December 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 54th MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Jamahiriya)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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91-57887 5528S (E)

Distr. GENERAL
A/C.5/46/SR.54
30 December 1991

ORIGINAL: ENGLISH

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The meeting was called to order at 3.25 p.m.

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Programme budget implications of draft resolution A/C.2/46/L.39, as orally revised, concerning agenda item 83 (A/C.5/46/61)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, when the General Assembly had adopted resolution 45/185 concerning the International Decade for Natural Disaster Reduction, the Advisory Committee had requested the Secretary-General to provide information concerning the Trust Fund for the Decade and the staffing requirements of the Decade secretariat, in order to ascertain that sufficient resources were available in the Trust Fund to finance the activities envisaged by the Secretary-General. To date that information had not been provided. When the Advisory Committee had taken up the statement in document A/C.5/46/61, the Advisory Committee had been informed that the requested information was contained in that statement. In view of the late submission of the statement, the Advisory Committee had decided to defer its review of the statement until its spring session in 1992, when it would examine the justification of the resources proposed by the Secretary-General to be financed from the Trust Fund and would have to be satisfied that there were sufficient funds to finance the activities specified in document A/C.5/46/61. Accordingly, no additional appropriations would be entailed by the adoption of the draft resolution. He noted that any contracts relating to the staffing of the secretariat would have to be subject to the findings of the Advisory Committee at its spring session.

2. The CHAIRMAN proposed that, on the basis of the statement of programme budget implications submitted by the Secretary-General in document A/C.5/46/61 and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/46/L.39, the additional activities as detailed in paragraph 6 of document A/C.5/46/61 would be included under section 30 of the proposed programme budget for the biennium 1992-1993 and that no additional financial resources would be required. Additional extrabudgetary resources in the amount of $932,000 would, however, be required for the biennium 1992-1993 in order to implement the Decade activities. Should additional voluntary contributions not materialize, the activities proposed would have to be deferred until sufficient resources were available under the Trust Fund. He further proposed that the Fifth Committee should concur with the observations of the Advisory Committee.

3. Mr. ZAHID (Morocco) said that he was not sure exactly what the Committee was deciding: whether to postpone its decision concerning the financial implications of the resolution, or to adopt the financial implications and to leave the examination of those implications to the Advisory Committee at its spring session in 1992.

4. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the procedure proposed by the Chairman was correct. No additional appropriations were required under the programme budget for 1992-1993. An estimated $1,700,000 would be financed, however, from the Trust Fund for the International Decade for Natural Disaster Reduction. The Advisory Committee would examine that requirement, which included the proposed staffing costs for the secretariat of the Decade, and would communicate in writing to the Secretary-General authorizing him to finance activities from the Trust Fund at the level determined by the Advisory Committee.

5. The CHAIRMAN said he would take it that the Committee wished to adopt the decision in the light of the clarification provided by the Chairman of the Advisory Committee.

6. It was so decided.

Programme budget implications of draft resolution A/C.2/46/L.101 concerning agenda item 12 (A/C.5/46/68)

7. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, under the terms of draft resolution A/C.2/46/L.101, the General Assembly would endorse the recommendations of the Committee for Development Planning regarding the inclusion of Cambodia, Solomon Islands, Zaire and Zambia in the list of least developed countries; and that estimated additional requirements of $217,300 would arise in the proposed programme budget for the biennium 1992-1993, to cover the travel costs of five representatives from each Member State, one in first class and four in business class, to attend sessions of the General Assembly. The Advisory Committee had been informed that savings of $222,300 had been made so far under that section of the programme budget for the biennium 1990-1991. The Advisory Committee therefore believed that no additional appropriations were required and that the possibility of absorption under that section should be considered. It recommended, therefore, that the Secretary-General should indicate such additional requirements as might be necessary in the first performance report on the programme budget for the biennium 1992-1993.

8. The CHAIRMAN proposed that, on the basis of the statement of programme budget implications submitted by the Secretary-General in document A/C.5/46/68 and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/46/L.101, no additional appropriaticn would be required at the current stage.

9. It was so decided.

Programme budget implications of draft resolution A/C.2/46/L.80 concerning agenda item 79 (A/C.5/46/74)

10. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the statement submitted by the Secretary-General on the programme budget implications of draft resolution A/C.2/46/L.80, in terms of which the General Assembly would, inter alia, decide that the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change should hold a fifth session at United Nations Headquarters in New York from 18 to 28 February 1992, with the possibility of the Committee holding a short resumed session in New York in April 1992. The statement noted further that the activities proposed in the draft resolution had not been programmed in the proposed programme budget for the biennium 1992-1993 and would require the creation of new programme narratives under a new subsection 11F to finance the ad hoc secretariat during the negotiating process of the preparation and follow-up of the convention from the United Nations regular budget during 1992.

11. The financial arrangements and estimated resource requirements for the proposed activities were discussed in the statement, which noted that, by its resolution 45/212, the General Assembly had decided that the negotiating process should be funded from existing United Nations budgetary resources, without adversely affecting its programmed activities, and from voluntary contributions to a trust fund established specifically for that purpose for the duration of the negotiations. That resolution had been adopted without a statement of programme budget implications, and Secretariat support to the negotiating process had, accordingly, been provided through a number of ad hoc and specific arrangements, listed in paragraph 6 of the statement.

12. For the reasons listed in paragraph 14 of the statement, the estimate of $915,500 for conference-servicing costs under section 32 would not give rise to additional appropriations under that section. The Advisory Committee noted, however, that under the terms of General Assembly resolution 40/243, United Nations bodies should meet at their respective headquarters. Since the established headquarters of the Intergovernmental Negotiating Committee was Geneva, the holding of its sessions in New York would not only require an exception to the provisions of resolution 40/243, but, as the Advisory Committee had been informed, would entail expenditure 6 per cent higher than in Geneva.

13. The non-conference-servicing costs amounted to $1,296,000, as proposed in paragraph 7 of the statement, with staff costs for general temporary assistance amounting to $949,000. The Advisory Committee recommended, for those requirements, the provision of five Professional posts for 12 work-months each, one D-2, one D-1, one P-5, one P-4 and one P-3, as well as four General Service posts. The related resource requirements amounted to $829,300. In addition, the Advisory Committee recommended that steps should be taken to ensure the full utilization of the extrabudgetary resources of all

(Mr. Mselle)

participating organizations, both before and after the signing of the convention in June 1992.

14. The Advisory Committee understood that activities arising out of the implementation of the convention would be covered by the administrative and financial arrangements stipulated in the convention itself.

15. In summary, he said that, should the General Assembly adopt draft resolution A/C.2/46/L.80, the proposed programme of work would be added under a new subsection 11F of the proposed programme budget and that additional expenditure under that subsection would amount to $1,176,300, in connection with the activities of the ad hoc secretariat. That amount was to be considered in accordance with the guidelines for the use of the contingency fund.

16. Mr. DANKWA (Ghana), Chairman of the Committee on Conferences, said that, in accordance with paragraph 6 of General Assembly resolution 35/10 A, all proposals relating to the calendar of conferences and meetings made at sessions of the Assembly should be reviewed by the Committee on Conferences when administrative implications were being considered under the requirements of rule 153 of the rules of procedure. In view of that provision, and bearing in mind that the established headquarters of the Intergovernmental Negotiating Committee was Geneva, the holding of the fifth session and the resumed fifth session of the Committee in New York would require an exception to resolution 40/243.

17. On the basis of the information provided, including the availability of facilities for a February session at United Nations Headquarters in New York and the schedule of other intergovernmental meetings on environment and development, in particular, the Preparatory Committee for the United Nations Conference on Environment and Development, the Committee on Conferences recommended that the General Assembly should grant an exception to paragraph 4 of section I of resolution 40/243, thereby authorizing the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change to meet away from its established headquarters.

18. Mr. SUGANO (Japan) said that his delegation took issue with the provision in the Secretary-General's statement for staffing requirements. Under the terms of General Assembly resolution 45/212, the ad hoc secretariat for the Intergovernmental Negotiating Committee was to be funded from within existing budgetary resources. He was concerned that the statement of programme budget implications made provision for 12 work-months, whereas resolution A/C.2/46/L.80 provided a mandate for 6 months only. He therefore believed that the budgetary appropriation of $949,000 should be reduced by half. He also believed that, in accordance with established practice, any expenditure incurred in the promotion of the framework convention on climate change should be borne by the future contracting parties to the convention. Any disbursements by the General Assembly for the second half of 1992 should be

(Mr. Sugano, Japan)

seen essentially as an advance payment, to be reimbursed by the contracting parties. He therefore believed that no budgetary appropriations were necessary at the current stage for the second half of 1992 and that the matter should be referred to the Advisory Committee to enable it to review the arrangements that would be necessary following the United Nations Conference on Environment and Development.

19. Mr. MICHALSKI (United States of America) asked for confirmation that the exception granted by the Committee on Conferences enabling the Intergovernmental Negotiating Committee to meet away from its headquarters in Geneva would allow it to meet only in New York and not wherever it might choose. He agreed with the representative of Japan that paragraph 4 of the statement of programme budget implications was misleading, since it implied that the work of the ad hoc secretariat would be completed by June 1992, when it submitted its report, whereas provision was made in paragraph 7 for Professional staff to be retained for a full year. He asked the Secretariat and the Advisory Committee to provide clarification. If there was a problem, the Fifth Committee should defer action pending a further review of the question by the Advisory Committee, since it must be careful not to provide funding beyond the mandated requirements.

20. Mr. MORDACQ (France) expressed regret that the expenses in question had not been foreseen and included in the original estimates. He noted that, according to the Chairman of the Advisory Committee, costs would be 6 per cent higher in New York than in Geneva. He regretted that additional funds were being wasted in that way and hoped that the International Negotiating Committee would see fit to hold its resumed fifth session in Geneva rather than New York.

21. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had discussed the question of whether it was necessary to budget for 12 months and had reduced the number of work-months proposed by the Secretary-General for both Professional and General Service staff. Any follow-up activities arising out of the implementation of the framework convention on climate change would have to be financed in accordance with the administrative and financial arrangements laid down in the convention itself. Follow-up activities which fell within the responsibility of the Secretary-General, such as reporting to the General Assembly on the outcome of the Conference on Environment and Development, would have to be financed from the regular budget. The contracting parties could not be expected to meet such costs.

22. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that there would be no funding for the ad hoc secretariat after December 1991 unless the General Assembly granted the appropriation in question. Requirements had been included for all of 1992 in order to make provision for follow-up activities. Obviously, if the staff were not needed, the situation would be reviewed. If the appropriation was not approved, it would not be

(Mr. Baudot)

possible to give effect to the draft resolution. The only alternative was to redeploy funds from other sections of the budget.

23. Mr. SUGANO (Japan) said that he was not convinced by the Secretariat's explanation. The question concerned the basic aim of statements of programme budget implications which were supposed to describe the costs associated with the implementation of a given draft resolution. It was pointless to inquire whether funds were necessary to carry out an activity if there was no mandate for the activity in question. The necessary provision should be included in the programme budget for 1992 and not in the statement of programme budget implications for the draft resolution before the Committee.

24. Mr. MICHALSKI (United States of America) said that he understood the concern expressed by the representative of Japan and proposed that the Secretary-General and the Advisory Committee should be requested to keep under review the staffing requirements of the ad hoc secretariat of the Intergovernmental Negotiating Committee in the light of the activities mandated in the resolution, in order to ensure that the resources provided were sufficient, but not more than sufficient.

25. Mr. SUGANO (Japan) said that his objection related to the basic objective of statements of programme budget implications and he could not accept any proposal which was not related to the mandate given by the resolution.

26. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) pointed out that the draft resolution had been orally revised to provide a mandate for activities for the whole of 1992. The planned conference was bound to give rise to follow-up activities and, although the scale of such activities might be open to question, the Secretary-General would be required to report to the General Assembly and some provision for staffing requirements must therefore be made.

27. Mr. SUGANO (Japan) said that adoption of the statement of programme budget implications would set a very unfavourable precedent, given the basic objective of such statements, since the draft resolution called for funding for six months, whereas the Secretary-General was proposing arrangements for the full year.

28. Mr. BAUDOT (Director, Programme Planning and Budget Division), confirmed that the oral revision to the resolution provided a mandate for the full 12 months. Clearly, if the resources proved unnecessary after the Conference, the requirements could be reviewed, as proposed by the representative of the United States.

29. Mr. DANKWA (Ghana), Chairman of the Committee on Conferences, said that he understood the legitimate concern of the representative of Japan, who did not object to the provision of post-conference facilities as such but to the attempt to predetermine the level of the relevant staffing requirements. He suggested that they could endorse the recommendations of the Advisory

(Mr. Dankwa, Ghana)

Committee on the understanding that the post-conference staffing requirements would be reviewed by the Secretary-General and the Advisory Committee, as the representative of the United States had proposed.

30. The CHAIRMAN said that he would take it that the Fifth Committee, on the basis of the statement of programme budget implications submitted by the Secretary-General (A/C.5/46/74) and the recommendations of the Advisory Committee and the Committee on Conferences, wished to inform the General Assembly that, should it adopt draft resolution A/C.2/46/L.80, the new activities indicated in paragraph 5 of document A/C.5/46/74 would be added under a new subsection 11F of the proposed programme budget for the biennium 1992-1993 and that an additional appropriation in the amount of $1,176,300 would be required under section 11 of the proposed programme budget for the biennium 1992-1993 in connection with the activities of the ad hoc secretariat, subject to the guidelines for the use of the contingency fund. Furthermore, an exception would be granted to General Assembly resolution 40/243, so as to authorize the International Negotiating Committee to hold its fifth session in New York. The General Assembly would also be asked to request the Secretary-General and the Advisory Committee on Administrative and Budgetary Questions to keep under review the staffing requirements of the ad hoc secretariat of the International Negotiating Committee in the light of the activities mandated in the relevant resolution.

31. It was so decided.

32. Mr. SUGANO (Japan) reiterated the reservations he had expressed previously. He stressed that statements of programme budget implications should be related strictly to the mandate of the relevant resolution. In the present case, there had been a clear departure from the mandate contained in resolution A/C.2/46/L.80. The approval of the Secretary-General's statement of programme budget implications must not be allowed to set a precedent.

Programme budget implications of draft resolution I in document A/46/704/Add.1 concerning agenda item 94 (b) (A/C.5/46/76)

33. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee, having considered the Secretary-General's statement in document A/C.5/46/76 on the programme budget implications of draft resolution I on the creation of an effective United Nations crime prevention and criminal justice programme, noted that the draft resolution would have the General Assembly decide to recommend (para. 10) that a commission on crime prevention and criminal justice be established as a functional commission of the Economic and Social Council, which would hold its inaugural meeting during 1992, and to make available the funds necessary for the work of the new commission within the budget for the biennium 1992-1993. The Secretary-General estimated the additional requirements at $107,000, consisting of $79,000 for travel of 40 commission members to the annual session, and $28,000 for travel of six experts from least developed

(Mr. Mselle)

countries. In that connection, the Advisory Committee recalled General Assembly resolution 45/248 B, section VI, concerning procedures for administrative and budgetary matters. Recent experience underscored the need for adherence to that resolution, and the Advisory Committee believed that it might even require some strengthening.

34. In response to the request in paragraph 7 of the draft resolution that the Secretary-General take the necessary action and provide resources for the effective functioning of the United Nations crime prevention and criminal justice programme within overall United Nations resources, the Secretary-General pointed out in his statement (para. 8 (b)) that the structural, administrative and budgetary aspects of the planned restructuring of the Crime Prevention and Criminal Justice Branch, as well as the issues of the workload and other aspects of functioning of the Branch, would require a separate management review, and that proposals would be submitted to the General Assembly at its forty-seventh session.

35. The Advisory Committee therefore recommended that an effort should be made to absorb the additional requirement of $107,000 within the existing resources of the crime prevention and criminal justice programme under the proposed programme budget for 1992-1993, without affecting the effective functioning of that programme as mandated by the General Assembly. The Secretary-General should indicate such additional requirements as might be necessary in the first performance report for the biennium 1992-1993. The adoption of the draft resolution, therefore, would not require additional appropriations at the current stage.

36. Mr. MONTHE (Cameroon) asked if the Advisory Committee, in stressing the need for adherence to resolution 45/248 B, section VI, intended to make a specific proposal in that regard.

37. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee was simply trying to communicate to the Fifth Committee its concern at a tendency by the other Main Committees to make budgetary proposals that were better left to the Fifth Committee. If the members of the Fifth Committee had the same impression, they could act upon it.

38. Mr. MONTHE (Cameroon) said that he felt very strongly, based on the remarks of the Chairman of the Advisory Committee and on the tendency evidenced in the Third Committee resolution under consideration, that the Fifth Committee should make it clear to the Main Committees that, while they should carefully examine the medium-term plan, which was within their purview, they should not deal with the budget, which was within the competence of the Fifth Committee. He therefore proposed that the Committee should adopt a resolution recalling General Assembly resolution 45/248 B, section VI; reaffirming that the Fifth Committee was the competent Main Committee entrusted with responsibilities for administrative and budgetary matters,

(Mr. Monthe, Cameroon)

including all matters relating to regular budget financing; reaffirming the role of the Advisory Committee; expressing concern at the tendency of its substantive committees and other intergovernmental bodies to involve themselves in administrative and budgetary matters; and inviting the Secretary-General to provide all intergovernmental bodies at an early stage in each session with the required information regarding procedures for administrative and budgetary matters.

39. Mr. MICHALSKI (United States of America) said that he had no objection to recalling resolution 45/248 but that he was disturbed by the tendency of the General Assembly to create an impasse by, on the one hand, insisting that the Fifth Committee could not interfere with the substantive work of the other Main Committees and, on the other hand, insisting that the Main Committees should not in any way try to exert influence in budgetary matters. A middle road had to be found, in order to avoid a situation where anything could be proposed and nothing could be disposed of.

40. Mr. SUGANO (Japan) said that section VI of resolution 45/248 B regarding the competence of the Fifth Committee had been the result of long negotiations, and it was improper to attempt to reopen the issue under the circumstances. His delegation believed that it would be out of order for the Committee to adopt a resolution such as that proposed by the representative of Cameroon, which was not relevant to the subject under consideration, and he proposed that the Committee should move on.

41. Miss SHITAKHA (Kenya) said that her delegation had long shared the concerns expressed by Cameroon, and she fully supported its proposal which, however, she would prefer to see worded more strongly.

42. The CHAIRMAN appealed to the representative of Cameroon not to press for formal adoption of his proposal by the Committee but rather to be satisfied with having it duly reflected in the summary record.

43. Mr. MONTHE (Cameroon) said he would heed the Chairman's appeal.

44. The CHAIRMAN said that he would take it that the Fifth Committee, on the basis of the statement of the programme budget implications submitted by the Secretary-General and the recommendation of the Advisory Committee, wished to inform the General Assembly that, should it adopt draft resolution I in document A/46/704/Add.1, efforts should be made to absorb the requirement of $107,000 under section 21 of the proposed programme budget and any additional expenditure should be reported to the Assembly in the first performance report. The Secretary-General would submit to the General Assembly at its forty-seventh session a revision of programme 29 of the medium-term plan for the period 1992-1997 and revised estimates under section 21 of the proposed programme budget for the biennium 1992-1993 in relation to activities in the area of crime prevention and criminal justice.

45. It was so decided.

Programme budget implications of draft resolution A/C.3/46/L.67, as orally revised, concerning agenda item 94 (b) (A/C.5/46/77)

46. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee, having considered the Secretary-General's statement (A/C.5/46/77) on the programme budget implications of draft resolution A/C.4/46/L.67 concerning the United Nations Africa Institute for the Prevention of Crime and the Treatment of Offenders (UNAFRI), noted that paragraph 2 of the draft resolution requested the Secretary-General to ensure that sufficient resources were provided to UNAFRI within the overall appropriations of the budget for the biennium 1992-1993 to enable the Institute to carry out, in full and on time, all its mandates. In addition to the United Nations Interregional Crime and Justice Research Institute (UNICRI) in Rome, which had an overall mandate for research in that area, all four regional United Nations institutes on crime prevention, in Africa, Asia, Latin America and Europe, were financed outside the regular budget of the United Nations. In accordance with the statute of UNAFRI, its administrative and programme costs were to be financed by the assessed contributions of African States under a specific scale of assessment, while its operational activities were to be funded by the United Nations Development Programme (UNDP). However, it was clear that the situation of the Institute was precarious.

47. The Secretary-General had set out various options in paragraph 5 of his statement, explaining why approaches such as the redeployment of resources from within section 21 or section 23 or from other sections of the proposed programme budget would not be feasible; for the reasons given in paragraph 5 (c), the Secretary-General was proposing the provision of $180,000 under section 23 of the proposed programme budget for the biennium 1992-1993 as a grant to the Institute, to assist in covering its administrative costs for 1992. The Secretary-General also stated that he would report to the General Assembly at its forty-seventh session on the longer-term solution to the financing of UNAFRI. The Advisory Committee had been informed that the administrative costs of the Institute consisted mainly of staff costs for a P-5 and a P-3 post, and it believed that the $180,000 would cover the core administrative support of the Institute. However, the Secretary-General also indicated (para. 6) that, given the nature of that appropriation, he was not in a position to provide an alternative in case resources were not sufficient in the contingency fund. The only possible alternative would be to defer implementation of paragraph 2 of the draft resolution.

48. The Advisory Committee therefore recommended that, should the General Assembly adopt draft resolution A/C.3/46/L.67, an additional appropriation of $180,000 for UNAFRI would be required under section 23 of the proposed programme budget for the biennium 1992-1993, subject to the procedures for the use and operation of the contingency fund.

49. Mr. DANKWA (Ghana) asked why, although the General Assembly, in paragraph 2 of resolution A/C.5/46/L.67, had requested the Secretary-General

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to ensure that adequate resources were available to the Institute for the biennium 1992-1993, the Secretary-General, in his report (A/C.5/46/77), was proposing a grant for 1992 only. It appeared from information that he had just received that UNAFRI, because of a lack of funds, had been able to recruit only two of the four staff members called for in its staffing table and that one of those two had had to resign because of the same lack of funds. In the light of that information, it was clear that the grant of $180,000 would not be enough to rescue UNAFRI from its financial difficulties. He asked whether the Secretary-General's proposal took into account the current situation of UNAFRI and what the Secretariat intended to do to maintain the Institute's financial viability in the future.

50. Mr. ETUKET (Uganda) said he shared the concerns regarding the Institute's financial situation expressed by the Secretary-General in paragraph 3 of his report (A/C.3/46/L.74) and by the representative of Ghana. His delegation would like to know whether the full extent of the Institute's financial difficulties had been known when the statement of programme budget implications had been prepared, whether the Advisory Committee had been informed of it and, if so, whether it had then taken into account by the Advisory Committee. His delegation also wished to know whether the Secretariat in New York had been consulted by the secretariat of the Economic Commission for Africa (ECA) before the latter had terminated the staff members concerned, and whether the Secretariat considered that the grant proposed was an adequate response to the request made by the General Assembly in paragraph 2 of draft resolution A/C.3/46/L.67.

51. Mr. ONWUALIA (Nigeria) said that he shared the concerns expressed by the representatives of Ghana and Uganda.

52. Mr. SY (Senegal) said that there seemed to be a tendency on the Secretariat's part, as indicated by the last sentence of document A/C.5/46/77, to avoid taking a decision on the matter, and asked whether the Secretariat thought it could find a solution to the problem.

53. Mr. MICHALSKI (United States of America) said that his delegation would not oppose the recommendation of the Advisory Committee, but was concerned that, despite the language of the Third Committee's draft resolution, an additional appropriation was being requested. He emphasized that that concern was not political but technical.

54. Mr. BAUDOT (Director, Programme Planning and Budget Division), replying to the requests for clarification addressed to the Secretariat, recalled that under the statute of UNAFRI, the Institute's administrative and programme costs were to be financed by voluntary contributions from countries of the region, as was the case with all the United Nations regional institutes on crime prevention. The Secretariat had been aware, when drawing up the Secretary-General's statement (A/C.5/46/77), that the Institute's situation was precarious, although it had not had complete information on the matter.

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It had, further, interpreted the phrase in paragraph 2 of draft resolution A/C.3/46/L.67, "within the overall budget" as meaning within the overall appropriation as decided on by the Fifth Committee rather than within the original estimates submitted by the Secretary-General. It had therefore decided, as a matter of prudence, to propose an appropriation of $180,000, on the understanding that the Secretary-General would look into the long-term prospects of the Institute and report on them to the General Assembly at its next session. That appropriation would make possible the financing of two posts, at the P-5 and P-3 level, while leaving a limited additional amount for administrative expenses. If the General Assembly accepted the proposal, the situation of the Institute's core staff would thus be secure for 1992.

55. The question of UNAFRI was a part of the overall problem of financing autonomous institutes. In the Secretariat's view, it could not be assumed that the financing of such institutes was a normal part of the Organization's budget; in the case of UNAFRI, therefore, the Secretary-General's proposal had been intended as an ad hoc measure to assist in covering administrative costs for one year, while making provision for a report to the General Assembly at its forty-seventh session on a long-term solution to the problem of the Institute.

56. Mr. ETUKET (Uganda) said that coordination between the ECA secretariat and the Secretariat in New York seemed to be inadequate and pointed out that the statute of UNAFRI had been amended in 1991 to allow for the funding from the assessed contributions of ECA member States. Paragraph 3 of the Secretary-General's report (A/C.5/46/77) was irrelevant, as the programme budget proposal did not refer to all the regional United Nations institutes on crime prevention but rather only to UNAFRI.

57. Mr. MONTHE (Cameroon) proposed that the Fifth Committee should inform the General Assembly that, should the draft resolution be adopted, an additional appropriation of $180,000 would be required under section 23 of the proposed programme budget. The Assembly should also request the Secretary-General to keep the situation of UNAFRI under review and to submit a report on the matter to the Assembly at its forty-seventh session, together with proposals which would make it possible to implement paragraph 2 of the resolution.

58. Mr. ETUKET (Uganda) proposed that the Committee should also ask the Secretary-General not only to keep the Institute's situation under active review but to bring the matter to the attention of the Advisory Committee if that situation worsened.

59. Mr. MICHALSKI (United States of America) said that his delegation had some difficulties with the proposal by the representative of Cameroon but was prepared to accept it in the interest of compromise. It could not, however, accept the additional proposal by the Ugandan representative, which would allow the Secretary-General to commit the Organization to substantial expenditure without consulting the Fifth Committee. On the other hand, the

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Committee might add a request to the Secretary-General to consult with the Administrator of UNDP to determine whether UNDP could increase the level of its support for UNAFRI.

60. Mr. ETUKET (Uganda) agreed that the Secretary-General should be encouraged to approach UNDP; however, he would prefer the retention of his own proposal.

61. The CHAIRMAN proposed that the matter should be referred to informal consultations and taken up again by the Committee later.

62. It was so decided.

Programme budget implications of draft resolution A/46/L.22/Rev.1 concerning agenda item 19 (A/C.5/46/80)

63. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee was recommending that every effort should be made to absorb the amount of $55,000 requested by the Secretary-General. If necessary the matter could be dealt with in the performance report. Adoption of the draft resolution would entail no additional appropriations at the current stage.

64. The CHAIRMAN said that he would take it that the Fifth Committee, on the basis of the statement of programme budget implications submitted by the Secretary-General and the recommendation of the Advisory Committee, wished to inform the General Assembly that, should it adopt draft resolution A/46/L.22/Rev.1, no additional provision would be required.

65. It was so decided.

66. Mrs. GOICOCHEA (Cuba) said that it was not clear to her delegation from the decision just adopted whether the additional provision of $55,000 would be made available or not.

67. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the decision meant that any additional appropriation would be considered in the context of the performance report for the biennium 1992-1993, and that at the current stage the Fifth Committee was not appropriating the $55,000 requested.

68. Mrs. GOICOCHEA (Cuba) said that the Committee had acted somewhat hastily in adopting its decision, since her delegation had wished to speak on the matter before the decision was adopted. In the circumstances her delegation would raise the matter again in the context of the performance report.

69. Mr. MICHALSKI (United States of America) noted that the amount of $55,000 related to information kits and upgraded photo exhibits on decolonization. He trusted that the items would indeed be produced and be available for viewing by his delegation.

Revised estimates under section 32D (Conference and library services, Vienna) (A/46/7/Add.15; A/C.5/46/30 and Add.1 and Add.2)

70. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that since the revised estimates had been submitted late, the Advisory Committee was making only an interim recommendation to the effect that the initial estimate for conference and library services in Vienna as contained in the proposed programme budget, namely $32,672,800, should be approved, subject to a thorough review by the Advisory Committee of all questions relating to Vienna, on which it would report at the forty-seventh session. Subsequent to the Advisory Committee's approval of its sixteenth report, it had received a request from the Controller regarding the revised estimates before the Committee.

71. In making its recommendation, the Advisory Committee wished to emphasize that the 1993 portion of the appropriation should be regarded as provisional, and that requirements for 1993 and any related proposals for new posts would be discussed by the Committee in its review of conference-servicing arrangements in Vienna, taking account of any developments in the consultations between the United Nations and UNIDO.

72. The Advisory Committee had noted that the Secretary-General's original estimates had not contained the provisions needed to give effect to the agreement between the Organization and IAEA concerning interpretation services. Given that IAEA had agreed to transfer its interpretation staff to the United Nations with effect from 1 January 1992, and that the IAEA budget thus contained no provision for interpretation services in 1992, the Advisory Committee was recommending that the estimate of $32,672,800 should be increased by an amount of $803,800, and that the three P-4 interpretation posts in question should be approved. The estimates under income section 2 would be increased by the same amount to reflect reimbursement by IAEA of the cost of interpretation services.

73. The CHAIRMAN said that he would take it that the Fifth Committee wished to take note of the report of the Secretary-General (A/C.5/46/30) and to endorse the recommendations of the Advisory Committee in its report (A/46/7/Add.15, paras. 8-10), as orally amended by the Chairman of ACABQ. He would also take it that the Fifth Committee wished to recommend to the General Assembly approval of an appropriation in the amount of $33,476,600 under section 32D of the proposed programme budget for the biennium 1992-1993, comprising $32,672,800 as proposed by the Secretary-General in the initial proposal of the programme budget for the biennium 1992-1993 and an additional appropriation of $803,800 relating to requirements for the establishment of a common interpretation service as agreed to by IAEA, to be offset by an increase of $803,800 in the estimates of income under income section 2 (General income). He would further take it that the Fifth Committee wished to recommend approval of an additional amount of $108,600 under section 36, to be offset by a corresponding amount under income section 1.

74. It was so decided.

75. Mr. KARBUCZKY (Hungary) said that his delegation was concerned by the underbudgeting for conference services in Vienna, and trusted that the situation would be rectified in future bienniums. The parties concerned should reach agreement on the question of a unified conference-servicing operation in Vienna in the interests of Member States.

Offices of the Secretary-General in the Islamic Republic of Iran and Iraq (A/46/7/Add.16; A/C.5/46/64)

76. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, in 1991, the Advisory Committee had concurred with the Secretary-General's proposal to enter into commitments up to $3 million through December 1991 in connection with the offices of the Secretary-General in the Islamic Republic of Iran and in Iraq. In paragraph 5 of the Advisory Committee's report (A/46/7/Add.16), the Secretary-General indicated that the estimated expenditure on the offices for April to December 1991 would be $3,015,000. In paragraph 10 of the report, the Secretary-General was requesting the appropriation of an additional amount of $4,170,100 under section 2 of the proposed programme budget for 1992-1993, together with an additional appropriation of $325,400 under section 36, offset by the same amount under income section 1. The Advisory Committee concurred in the request for those additional appropriations.

77. The CHAIRMAN said that he would take it that the Fifth Committee wished to recommend that the General Assembly should take note of the report of the Secretary-General (A/C.5/46/64) and endorse the comments and recommendations of the Advisory Committee. The requirements for 1991 amounting to $3,015,000 would be reflected in the second performance report on the programme budget for 1990-1991 and an additional amount of $4,170,100 would be appropriated under section 2 of the proposed programme budget for 1992-1993, together with an additional appropriation of $325,400 under section 36, offset by the same amount under income section 1. The related requirements should be dealt with without recourse to the contingency fund.

78. Mr. INOMATA (Japan) proposed that the Fifth Committee should also recommend that the General Assembly should request the Secretary-General to submit a report on the review he would carry out in accordance with paragraph 11 of the Advisory Committee's report (A/46/7/Add.16) to the General Assembly and the Security Council when the Secretary-General has an occasion to report on the work of his offices in the Islamic Republic of Iran and in Iraq.

79. The CHAIRMAN suggested that the Committee should adopt the decision he had just read out, as amended by the representative of Japan.

80. It was so decided.

AGENDA ITEM 106: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Programme budget performance report (A/C.5/46/46)

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Revised estimates under income section 3 (A/C.5/46/79)

81. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the scope of the report was financial only, and that it would be supplemented by a report on programme implementation, to be submitted to the Committee for Programme and Coordination at its thirty-second session and the General Assembly at its forty-seventh session.

82. The Advisory Committee had noted that, taking into account actual expenditure and income recorded at the time of preparation of the performance report, projected expenditure for the biennium 1990-1991 was $1,781,185,400 on a net basis ($2,181,841,600 gross), compared with a net amount of $1,752,318,300 ($2,134,072,100 gross) voted by the General Assembly in its resolution 45/252. On that basis there would be a net increase of $28,867,100, resulting from an increase of $47,769,500 under expenditure sections, partly offset by an increase of $18,902,400 under the income sections.

83. The projected increase in revenue of $18,902,400 reflected increases under income section 1 (Income from staff assessment) and increases in respect of revenue-producing activities under income section 3 (Services to the public), while a decrease under income section 2 (General income) had also been projected. The net increase under income section 3 was the result of increased revenue in the United Nations Postal Administration and the sale of publications, partly offset by an additional expenditure of $3.1 million, representing the cost of the first phase of a project for the renovation of the General Assembly First Basement Concourse. In that connection the Advisory Committee had concurred in the Secretary-General's entering into commitments of up to $3.1 million.

84. The increase of $47,769,500 in expenditure requirements was broken down in paragraph 5 of the Secretary-General's report (A/C.5/46/46) by major factor: rates of exchange, inflation, decisions of policy-making organs, and other changes. Paragraph 4 provided a breakdown by object of expenditure, the most substantial item being salaries and other staff costs, partly offset by decreases under printing and general operating expenses.

85. The performance report indicated additional requirements of $5.9 million relating to decisions of policy-making organs. The Advisory Committee noted that an amount of $420,000 had been recorded in respect of interorganizational security measures. General Assembly resolution 44/203 provided that the Secretary-General was authorized to enter into commitments for interorganizational security measures in an amount not exceeding $300,000,

above which the concurrence of the Advisory Committee must be sought. In view of the recent pattern of expenditure, the Advisory Committee recommended that that level should be raised to $500,000 in the resolution on unforeseen and extraordinary expenses for the biennium 1992-1993.

86. The Secretary-General had indicated a projected decrease of $10,091,700 relating to more favourable exchange rates for the dollar in 1991, an amount which had been entirely offset by higher-than-anticipated inflation. The rates of common staff costs projected through the end of the biennium were the same as those that would be used for the biennium 1992-1993. The amount of $41,735,100 recorded under other changes in paragraph 5 of the performance report included an amount of $20 million for a projected increase in staff assessment, a large part of which related to recommendations of the International Civil Service Commission (ICSC) relating to staff assessment approved at the forty-fifty session, as adjusted for the rate of exchange. The overall increase under "other changes" was also attributable to higher costs for Field Service posts, to costs incurred in connection with the evacuation of staff at ECA and ESCWA, and to the shortfall projected for the cost of after-service health insurance coverage.

87. The Advisory Committee's consideration of the performance report had been greatly hampered by the late submission of the report and the absence of the supporting addenda. The Secretary-General's representatives, while recognizing the need to obtain an appropriation in respect of the additional requirements, had indicated that a more precise and accurate indication of actual requirements could be achieved, given additional time. Accordingly, the Advisory Committee was recommending that, at the current stage, the General Assembly should appropriate a net amount of $15 million and that it should authorize the Secretary-General to enter into commitments for the remaining $13,867,100, subject to the prior concurrence of the Advisory Committee. The actual level of commitments would depend on the Committee's review of additional information justifying any such commitment. The Assembly could then appropriate the necessary amounts ex post facto. Under such an approach the Secretariat would not be deprived of resources if they were justified, while appropriations that might ultimately prove unrealistic would not be made.

88. Mr. MICHALSKI (United States of America) said that his delegation had some doubts concerning the changes indicated in the performance report. Specifically, it was not clear how the figure of $20 million relating to a projected increase in staff assessment had been calculated. Equally, the reference in the performance report to an increase in the average annual base salary for Field Service posts from $22,000 in 1989 to $32,100 in 1991, as well as the increase in post adjustment from $7,800 in 1989 to $10,200 in 1991, seemed large and should be explained.

89. Regarding the project for the renovation of the General Assembly First Basement Concourse, he asked how many phases were planned and what the final

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cost would be. Commenting on the increase for General Service staff at Geneva referred to in schedule 4 of the performance report, he asked what the dollar value of that increase would be.

90. He noted that the total increase in the budget for the biennium 1990-1991 would be $15 million, rather than $28.9 million as requested by the Secretary-General. His delegation wished to be provided with a breakdown of the increases in expenditure and income, since that would affect his Government's assessed contribution for 1992. Lastly, he wished to know when the addenda to the performance report would be available.

91. Mr. MORDACQ (France) said that under the current budget methodology the Committee was called upon to consider in the context of the performance report expenditures above and beyond those contained in the programme budget for the biennium which were not covered by the contingency fund. Given the size of the increases a review of the methodology should be contemplated. Paragraph 11 of the performance report indicated that various reductions in the estimated requirements reported on in the first performance report for the biennium 1990-1991 could not be absorbed. The report went on to indicate that related additional requirements had now been reported. In that connection his delegation was somewhat concerned by the apparent negation of the will of the General Assembly, and particularly by the increases in respect of temporary assistance for meetings and travel. Further, his delegation could not reconcile the fact that Services to visitors was running a deficit with the proposal to spend some $3.1 million on the First Basement Concourse, which related to that same area of activity. He asked whether the construction in the first basement should not in fact be under section 35 of the proposed programme budget.

92. Mr. INOMATA (Japan) noted that the total net requirements would not be assessed on Member States but that, for the unassessed amount of roughly $14.9 million, the Secretary-General would enter into commitment subject to the concurrence of the Advisory Committee. His delegation hoped that no additional appropriations would be proposed by the Advisory Committee when the final statement of accounts for the biennium 1990-1991 was issued. It was his delegation's understanding that that would occur only in the event of need and that such additional appropriations would be recommended by the Advisory Committee to the forty-seventh session of the General Assembly. His delegation hoped that the fulfilment of obligations would yield a surplus that would make additional requirements unnecessary. However, should that not be the case, it would appreciate information at the earliest possible date on when it would be notified of any possible additional assessment.

93. Mr. BAUDOT (Director, Programme Planning and Budget Division), replying to the representative of the United States, said that the increase in the General Service salaries at Geneva reflected an increase of $4.9 million corresponding to inflation and a decrease of $1.9 million corresponding to exchange rates. ICSC had agreed at the forty-fourth session of the General

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Assembly on a 5 per cent increase in the net compensation of Field Service staff, and on an increase in mobility and hardship allowances. The increase also reflected inflation at certain duty stations where Field Service staff were located. At the forty-fifth session of the General Assembly, ICSC had adopted a new salary scale for the same Field Service staff, which had become effective in 1991.

94. Replying to the representatives of the United States and France, he said that the cost of the second phase of the renovation of the General Assembly First Basement Concourse was estimated at $2.4 million, and that the second phase was expected to be the final phase. The total cost would therefore be the amount mentioned in the budget performance report plus an additional $2.4 million.

95. Replying to the representative of France, he said that, while it was true that subprogramme 4 (services to visitors) was running a deficit, it accounted for only a small percentage of the total revenue included under income section 3. The estimated net revenue for the biennium 1990-1991 had been $6.9 million. That revenue would be revised upward by perhaps as much as $6 million, chiefly as a result of revenue earned from the sale of postage stamps by the United Nations Postal Administration. In the light of the upward revision, the Advisory Committee had approved a departure from the Financial Regulations and Rules of the United Nations so that the proposed renovation could be financed from the additional revenue as a non-recurring expenditure. That also explained why the figure for estimated revenue contained in the report was approximately $3 million less than what it should normally be. Replying to another question by the representative of France, he said that the gap between the revised and final estimates for salary and wages was not attributable to an unauthorized salary and wage increase, but rather to budget methodology.

96. Referring to paragraph 11, he said that the decisions taken in 1990 had been carefully arrived at but had been based on estimates; as a result the increase had become apparent only recently. In both 1990 and 1989, the Fifth Committee had also objected to being forced to deal with issues very rapidly. However, the current budget methodology and Financial Regulations and Rules of the United Nations made it difficult for the Secretariat to submit documentation to the Committee earlier in the session.

97. Replying to the representative of Japan, he said that a final estimate would be submitted to the Advisory Committee once sufficient data on all duty stations became available. The General Assembly would indeed be required to take a decision, on the recommendation of the Advisory Committee, before an additional assessment could be made on Member States.

98. Mr. MORDACQ (France) said that clarification was still required on how $3 million in additional revenue could be applied to capital expenditures under section 35. Capital expenditures were not supposed to be financed from additional revenue, the special account or from services to visitors and

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publications. That would constitute a grave violation of the general rule that revenue must not be earmarked for specific expenditures. It was also extremely surprising that a capital expenditure of $3 million should be made when no decision had been taken by the General Assembly. Often a considerable amount of time was devoted to discussing the expenditure of much smaller amounts, including expenditures on new technology. In its decision, the Fifth Committee should stress the need to respect the Financial Regulations and Rules and to record expenditure under the proper section of the budget.

99. Mr. MICHALSKI (United States of America) said that it was his delegation's understanding that the Committee would have information on the revised expenditures, income and net requirements recommended by the Advisory Committee when it took a decision on revised appropriations. His delegation wondered whether information on additional assessments - should they become necessary - would be transmitted to Member States early in 1992, or at the time the assessment for 1993 was made. His delegation agreed with the remarks by the French representative concerning renovation of the First Basement Concourse. While the renovation project appeared to be self-financing, in fact, it would be indirectly financed from Member States' assessments, which additional revenues under income section 3 were supposed to reduce. His delegation also agreed with the French representative that it was unusual to expect the Committee to decide on a renovation costing $3 million on the basis of no more than a brief reference in a document submitted very late in the Assembly. While the renovation might be a small item in the overall budget, the amount of $5 million was significant.

100. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that the final appropriations for 1991 would be presented by section with a column showing any increase or decrease, as the case might be. The Secretariat would indicate a specific assessment reflecting the difference between the current appropriations and the final appropriation after they had been reviewed by the Advisory Committee. He acknowledged that the Committee would have very little time in which to consider the report on the proposed renovation. While, technically, the representative of France was correct, the renovation project had been included under income section 3 because it was viewed as a source of future revenue, which, as such, should be financed from surplus revenue. A detailed report on the project, particularly on the financing of $2.4 million for phase II, would be submitted to the General Assembly at its forty-seventh session.

101. Mr. KINCHEN (United Kingdom) said that his delegation shared many of the concerns expressed by other delegations. The problem was largely attributable to methodology, rather than the Secretariat, but improved information management within the Secretariat would help matters considerably. Drawing attention to paragraphs 8, 9 and 10 of General Assembly resolution 43/214, he noted that, at the time the resolution was adopted, a proposal had been made by the Secretary-General and the Advisory Committee had recommended deferring action. Perhaps the General Assembly should take note of those paragraphs of

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the resolution and the Advisory Committee should be requested to resume consideration of a reserve and report to the Assembly at its forty-seventh session.

102. Mr. MICHALSKI (United States of America) said that, in the absence of any information, the General Assembly could propose deferring the renovation project. It was to be hoped that, at the very least, a report would be submitted on how the $5.5 million project would be implemented. The Fifth Committee could consider the report at its resumed session.

103. Mr. BAUDOT (Director, Programme Planning and Budget Division) noted that the report had been considered by the Advisory Committee only days earlier and he did not know when it would be submitted to the Fifth Committee. It was also not clear when a report by the Advisory Committee would be available.

104. Mr. MORDACQ (France) asked whether work on the project had already begun. If not, it should not be discussed in the context of the 1990-1991 budget, but rather in the context of capital expenditure at the forty-seventh session.

105. Mr. MONTHE (Cameroon), referring to the summary of projected expenditure performance variances for the biennium 1990-1991 by section and by main object of expenditure contained in annex II (A/C.5/46/46), noted total increases of over $1 million in sections 1, 2B, 11, 13, 14, 21, 23, 25, 27 and 28. Section 28, in particular, which showed an increase of over $6 million, demanded an explanation. The situation seemed to point to a need for tighter control so that such expenditures could be avoided.

106. Caution should be exercised with regard to the proposal by the United Kingdom on a reserve, as it dealt with an aspect of budgeting which was extremely difficult to control. Perhaps certain parameters, such as exchange rates, or unforeseen and extraordinary expenses, should continue to remain outside the scope of the budget process. The proposal by the United Kingdom might be explored in the seminar on budget methodology. For the time being, his delegation would hesitate to endorse the proposal.

107. Mr. BAUDOT (Director, Programme Planning and Budget Division) urged delegations to take a decision on the 1991 programme budget in the interest of time. He agreed with the representative of Cameroon on the need for tighter control. He could not yet provide details on various sections, but that information would be forthcoming. The reasons for the overexpenditure were not all interrelated, owing to the current budget procedures.

108. Mr. MICHALSKI (United States of America) expressed surprise that the Secretariat would submit such a frivolous proposal so late in the session when the Committee would have no time to consider it and still had to take action on a number of important matters, including peace-keeping operations. If the Secretariat wished, the question could be taken up at the resumed session.

109. Mr. KINCHEN (United Kingdom) agreed. In the interest of time, it might be preferable for the Acting Under-Secretary-General for Administration and Management to address the Committee rather than submit a document.

110. Mr. FORAN (Acting Under-Secretary-General for Administration and Management) said that the proposal on the complete renovation of the General Assembly First Basement Concourse was the result of a comprehensive engineering, architectural and marketing survey made by ccnsultants engaged in similar projects at a number of New York City museums and art galleries. The purpose of the renovation was to make the concourse area more marketable and to upgrade the sales areas, particularly the bookstore and Gift Centre. The stamp counter of the United Nations Postal Administration in the Concourse area should be remodeled in order to attract philatelists as well as tourists, since philatelic sales were a major source of income to the Organization.

111. The project could be financed from revenues that exceeded the approved net revenues for the current biennium. It would be in the long-term interest of the Organization to proceed with the project as soon as possible, since any delay would diminish revenues. Work should commence immediately following the conclusion of the General Assembly or, at the latest, in February. Ad hoc arrangements would be made to set up a gift centre in the General Assembly Public Lobby. In order to facilitate the preparation of the documents to be submitted to the General Assembly, he urged the Committee to take a decision on the proposal at the current meeting.

112. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the report of the Secretary-General (A/C.5/46/79) in which he submitted revised estimates under income section 3. In paragraph 1 of the report, the Secretary-General recalled that the Advisory Committee had agreed to his proposal regarding the renovation of the General Assembly First Basement Concourse, the first phase of which would be financed from projected additional revenues in 1990-1991. In making the proposal, the Secretary-General had also informed the Advisory Committee that the balance of the estimated total cost would be financed from the projected additional revenues under income section 3 in the biennium 1992-1993. The Advisory Committee had concurred in the project on the understanding that a phased approach to the project would be adopted so that if the balance of the required funds, estimated at $2,433,000, did not materialize as forecast, the project could be modified so as to be completed within available funds. The Advisory Committee had also agreed that the Secretary-General should submit revised estimates under income section 3 to reflect the additional projected revenues.

113. As indicated in paragraph 14 and shown in annex II to the report, the Secretary-General estimated net revenues under income section 3 at $10,778,200 for 1992-1993; that was $3,400,000 more than the estimate contained in the proposed programme budget for 1992-1993. As indicated, the Secretary-General proposed to charge the additional expenditure of $2,433,000 representing the

cost of phase II of the project against that amount. Consequently, the revised net revenue of $10,778,200 would be adjusted downwards to $8,345,200.

114. On the basis of the information available to it, the Advisory Committee concurred with the Secretary-General's inclusion of the expenditure of $2,433,000 in income section 3 and recommended approval of his revised estimates under income section 3. The Advisory Committee noted that, as indicated in paragraph 11 of the report, the second phase of the project would be initiated when sufficient funds were available in 1992-1993. The Advisory Committee hoped that, based on income projections, it would be possible to initiate that phase immediately following the completion of phase I so as to ensure that the entire project was completed by the end of 1992, without further cost to the Organization. The Advisory Committee also noted that, during the construction period, the sales facilities would be relocated to the General Assembly Public Lobby.

115. Mr. MONTHE (Cameroon) said that the Fifth Committee should proceed with its consideration of the extremely important matters it had before it and postpone consideration of the embellishment of the General Assembly First Basement Concourse. That project, which would swallow up resources that could be used for more urgent purposes, could be deferred until the following year. It was ironic that millions of dollars had been found for the prettification of a basement when sufficient resources had not been found to address life-or-death situations.

116. Mr. COHEN (United States of America) said that his delegation supported the statement made by the representative of Cameroon. The Fifth Committee should defer action on the proposal to a later stage.

117. Mr. MORDACQ (France) said that the Committee had much more important issues to consider than the renovation of the First Basement Concourse. That matter should be deferred until the resumed session or the forty-seventh session of the General Assembly.

118. The CHAIRMAN said that he would take it that the Fifth Committee wished to recommend that the General Assembly appropriate, at the current stage, a net amount of $15 million and authorize the Secretary-General to enter into commitments for the remaining $13,867,100, subject to the prior concurrence of the Advisory Committee, and that the Assembly endorse the comments and recommendations of the Advisory Committee.

119. He would also take it that the Committee wished to adopt the United Kingdom proposal that the Fifth Committee should recommend that the General Assembly recall operative paragraphs 8, 9 and 10 of its resolution 43/214 on the need for a comprehensive and satisfactory solution to the problem of controlling the effects of inflation and currency fluctuation on the budget of the United Nations, and request the Advisory Committee to resume consideration of the issue and report, as appropriate, to the General Assembly at its forty-seventh session.

(The Chairman)

120. Finally, he would take it that the Fifth Committee decided to defer action on the proposed renovation of the General Assembly First Basement Concourse until a later stage.

121. Mr. MONTHE (Cameroon), referring to the proposal of the representative of the United Kingdom, said that the General Assembly had indicated that, in the meantime, the procedure for dealing with inflation and fluctuations in the rate of exchange would remain in place, and he requested that that information should be included in the Fifth Committee's recommendation to the General Assembly.

122. Mr. DUHALT (Mexico) said that his delegation had no objection to deferring action on the renovation of the General Assembly First Basement Concourse. However, he wished to point out that the renovation project would not be carried out purely for the sake of embellishing the Concourse, as some delegations had claimed. The project would significantly increase the Organization's income and enhance its image with the public.

123. The CHAIRMAN said that he would take it that the Committee wished to adopt the decision he had just outlined, as orally amended by the representative of Cameroon.

124. It was so decided.

Programme budget implications of draft resolution A/C.3/46/L.67, as orally revised, concerning agenda item 94 (b) (continued) (A/C.5/46/77)

125. The CHAIRMAN announced that a consensus had been reached on the programme budget implications of draft resolution A/C.3/46/L.67, as orally revised. Accordingly, he would take it that the Fifth Committee, on the basis of the statement of programme budget implications submitted by the Secretary-General (A/C.5/46/77) and the recommendation of the Advisory Committee, wished to inform the General Assembly that, should it adopt draft resolution A/C.3/46/L.67, as orally revised, it should accept the proposal by the Secretary-General on the United Nations Africa Institute for the Prevention of Crime and the Treatment of Offenders (UNAFRI) supported by ACABQ; request the Secretary-General to keep the situation under active review and report no later than the forty-seventh session of the General Assembly; and urge the United Nations Development Programme to increase its funding for the programme of the Institute. Any additional requirements would be provided for, on an exceptional basis, subject to the concurrence of ACABQ and financed through overall redeployment within the level of the appropriations for the biennium 1992-1993, taking into account the views expressed by the members of the Fifth Committee.

126. It was so decided.

127. Mr. SPAANS (Netherlands), speaking in explanation of position on behalf of the States Members of the European Community, said that the Twelve had abstained in the vote on draft resolution A/C.3/46/L.67 in the Third Committee and, in a spirit of compromise, had not opposed the adoption by consensus of the decision on the programme budget implications of the draft resolution. Nevertheless, they felt that the proper procedures had not been followed. UNAFRI and institutions like it should be financed solely through voluntary contributions. It would be preferable, therefore, if the expenses under that item were not covered through the regular budget for the biennium 1992-1993. Several member States of the European Community intended to provide specific assistance on a voluntary basis to the Institute to help set up the necessary structure for policy development and training facilities in the African region.

128. Mr. INOMATA (Japan) said that his delegation had not been consulted prior to the decision just taken by the Committee and had serious misgivings about it. It was dangerous to make such an open-ended commitment subject to the concurrence of ACABQ and it would be unfair to ask the Advisory Committee to take on such an onerous task. The decision involved an open-ended commitment on the part of the United Nations to utilize resources from the regular budget to finance the Institute, which should essentially be funded by voluntary contributions from countries associated with its work. He deeply regretted that the decision had been taken in such haste and hoped that the Advisory Committee would fully take account of his delegation's views when it considered the matter in the future.

129. Mr. ETUKET (Uganda) said that his delegation welcomed the decision just taken by the Committee and hoped that the expressed readiness of certain countries to support the Institute would lead to tangible results. The financing arrangements for UNAFRI did not constitute a precedent since a similar institute in Asia had received funding from the regular budget in the 1970s until a number of Governments had taken over its financing. He therefore hoped that the Institute would receive such assistance from Governments and would not depend heavily on the regular budget in the future.

The meeting rose at 8.40 p.m.